

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON)	
DISTRIBUTION, INC., W.E. AUBUCHON)	
CO. INC. EMPLOYEE MEDICAL	)	C.A. No. 05-40159FDS
BENEFIT PLAN, and AUBUCHON	)	(Louis M. Ciavarra BBO# 546481)
DISTRIBUTION, INC. EMPLOYEE	)	(James P. Hoban BBO #633929)
MEDICAL BENEFIT PLAN	)	(Colleen E. Cushing BBO# 663498)
Plaintiffs,)	
)	
v.)	
)	
)	
BENEFIRST, LLC,)	
Defendant.)	

PLAINTIFFS' LOCAL RULE 56.1 STATEMENT

I. Depositions and Documentation In Support of L.R. 56.1 Statement.

Deposition Excerpts Appended:

- Fed. R. Civ. P. 30(b)(6) Deposition of BeneFirst, LLC ("BeneFirst") by
and through Charles T. Dobens ("Dobens"), dated April 15, 2008 ("BF
30(b)(6) dep. (4/15/08 - Dobens)") Tab 1
- Deposition of M. Marcus Moran, Jr. dated May 22, 2008
("Moran dep.") Tab 2
- Deposition of Sarah Arel dated April 9, 2008 ("Arel dep.") Tab 3
- Deposition of Paul Gatanti, Jr. dated April 14, 2008
("Gatanti dep.") Tab 4
- Deposition of Carrie Reddie dated May 16, 2008 ("Reddie dep.") . Tab 5
- Deposition of Charles Lord dated May 22, 2008 ("Lord dep.") . . . Tab 6
- Fed. R. Civ. P. 30(b)(6) deposition of BeneFirst, by and through Dobens
dated September 7, 2006 ("BF 30(b)(6) dep. (9/7/06 - Dobens)") . . Tab 7

Exhibits Appended:

- BeneFirst's Responses to Plaintiff's Requests for Admissions dated April 14, 2008 ("Adm. Resp.")Tab 8
- W.E. Aubuchon's Supplemental Answers to Interrogatories dated November 14, 2007 ("WEA Supp. Ans. Ints.")Tab 9
- Aubuchon Distribution's Supplemental Answers to Interrogatories dated November 14, 2007 ("Distrib. Supp. Ans. Ints.")Tab 10
- Unsigned Administrative Services Agreement ("ASA") Tab 11
- Correspondence from S. Rosenberg to L Ciavarra dated August 31, 2007 ("8/31/07 Letter") Tab 12
- Email from C. MacLeod to S. Arel dated May 17, 2008 ("5/17/05 Email") Tab 13
- Correspondence from BeneFirst (P. Sullivan) to W.E. Aubuchon (M. Moran) dated June 29, 2004 ("6/29/04 Letter")Tab 14
- Report of Northshore International Insurance Services dated April 8, 2005 ("4/8/05 NIIS Report") Tab 15
- Report of NIIS dated July 22, 2005 ("7/22/05 NIIS Report")Tab 16
- Report of NIIS dated April 8, 2008 ("4/8/08 NIIS Report")Tab 17
- Order on BeneFirst's Motion for Reconsideration Of Court's Discovery Order Related to Medical Bills dated February 6, 2007 ("Order") . .Tab 18
- Affidavit of Sarah Arel Tab 19

II. Statement of Material Facts.

1. W.E. Aubuchon and Aubuchon Distribution are Massachusetts corporations and were the plan sponsors for the Plans, which provided medical benefits to their respective qualifying employees. It is not disputed that the Plans are covered by ERISA. The Plans are self-insured. (See W.E.A.S.P.D. (7/1/01), p. 3; W.E.A.S.P.D. (9/1/02), p. 3; A.D.S.P.D., p. 3.) The Aubuchon Companies have never administered their own Plans, but rather have always retained the services of a third-party administrator (“TPA”). (See Moran dep., p. 40.) In or around 2001, the Aubuchon Companies reached agreement with BeneFirst to act as administrators for both Plans. (See BF 30(b)(6) dep. (4/15/08 – Dobens), pp. 64, 66.)

2. The Aubuchon Distribution Plan terminated at the end of the 2002 Plan year when that company’s employees became covered under a union medical benefit plan. (See BF 30(b)(6) dep. (4/15/08 – Dobens, p. 66.)) As such, BeneFirst was the TPA for a single Plan year, July 1, 2001 to June 30, 2002, with respect to the Plan. (See Aubuchon Distribution’s Supp. Ans. Ints., No. 4; BF 30(b)(6) dep. (4/15/08 – Dobens), p. 31.) BeneFirst served as the TPA for the W.E. Aubuchon plan from July 1, 2001 until December 31, 2004, at which time it was terminated by W.E. Aubuchon in the middle of the Plan year. (See Aubuchon Supp. Ans. Ints., No. 4; BF 30(b)(6) dep. (4/15/08 – Dobens), p. 31.)

3. Although no signed copies of the Administrative Services Agreements (“ASA”) for the Plans have been located; the parties do not dispute that the unsigned copy which is included in these papers embodies the essential terms of the agreements between BeneFirst and W.E. Aubuchon and between BeneFirst and Aubuchon

Distribution. (See BF 30(b)(6)(4/15/08 – Dobens), pp. 65-68, 73, 77, 80, 117-18; Moran dep., p. 107; Arel dep., pp. 31-36; ASA.) In this regard, BeneFirst has testified that they had a standard form ASA, that it was BeneFirst’s practice to obtain a signed ASA for each client, and that, despite its inability to locate a signed copy, BeneFirst would look to the terms of the unsigned ASA which has been produced in discovery for the terms of the agreement between the parties. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 65-68, 73, 77, 80, 117-18.) Similarly, employees of the Aubuchon Companies have testified that the unsigned ASA contains the terms of the agreements by and between them and BeneFirst. (See Moran dep., p. 107; Arel dep., pp. 31-36, Ex. 7.)

4. The Administrative Services Agreements provide, among other things, that BeneFirst will: (1) pay Plan benefits “in its usual and customary manner,” (2) notify beneficiaries of any claims denials, the basis for the denials, and their appellate rights under the Plan; (3) “[m]aintain, for the duration of this Agreement and for two (2) years thereafter, adequate records of all transactions between the Plan Sponsor, the Plan Administrator and plan participants;” (4) refer to the Plan sponsor for determinations of (a) any class of claims specified by the sponsor, (b) disputed claims, (c) questions or eligibility and entitlement to coverage, (d) questions as to the amount of benefits due, and (e) “any other question; ”(5) provide the Plan sponsor with “service and assistance in connection with the design and development of the Benefit Plan, initially and in connection with Benefit Plan Revisions;”¹ (6) furnish required annual reports and administrative forms to the plan participants; (7) make diligent efforts to correct any over payment or under payment made by it; (8) “issue claims payments (using Plan Sponsor

¹ “Service and assistance” is defined to include: actuarial and underwriting services; estimating initial plan costs; estimating costs projections for any proposed plan revisions; and advice regarding the preparation of plan documents and summary plan descriptions.

supplied funds) on a weekly basis;” (9) send COBRA notices of right to continue coverage and election forms to qualified beneficiaries, track the beneficiaries during the election period, confirm election and provide premium payment coupons to electing beneficiaries, and to collect COBRA premiums from those electing coverage. (See ASA, pp. 1-2, 5.)² In addition, BeneFirst authorized to and did pay itself its commissions from COBRA premiums it collected prior to paying the net premiums over to the Aubuchon Companies. (See ASA, pp. 4, 11; BF 30(B)(6)(4/15/08 – Dobens), pp. 126-27; 131-32.)

5. The Aubuchon Companies agreed to, among other things, open, maintain, and fund, as directed, a bank account on which BeneFirst was a signatory for claims payments purposes, and pay specified fees in return for these services. (See ASA, pp. 2, 9, 11.)

6. It is not disputed that BeneFirst did, in fact, perform all of these functions with respect to the Plans. Under the ASAs, BeneFirst provided advice as to the contents of the Plans, subcontracted out the build out of a computerized claims processing systems and corrected perceived payment errors in the computerized claims process systems as they were identified. (See BF 30(b)(6) dep. (4/15/08-Dobens), pp. 77-80; Gatanti dep., pp. 139-40; Reddie dep., pp. 71-72, 74-75, 105-06.)

7. BeneFirst’s claims examiners would on a daily basis, make determinations as to whether something was within or without the Plans. (See BF 30(b)(6) Dep.

² It is also not disputed that for at least a portion of times that BeneFirst acted as TPA, that it expressly warranted that it would have a claims accuracy average of 98% or better. (See ASA, p. 5.) BeneFirst’s managing member testified that it was his recollection that the standards were dropped from the ASA when the Health Insurance Portability and Accountability Act of 1996 (HIPAA) became effective and imposed even more stringent standards than those contained in the Agreement (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 74-77.) As such, it is undisputed that BeneFirst was obligated to have a claims accuracy average at least 98% during its entire tenure as TPA.

(4/15/08 - Dobens), p. 86.) It is conceded that not all such decisions were black and white and that claims examining is not just data entry. (See Gatanti dep., pp. 46-47, 82, 91-92, 104-109, 136-37.) Claims adjudication involves some thought on the part of the examiner and there is some interpretation of the plan in certain cases. (See Gatanti dep., pp. 82, 91-92, 104-109, 136-37; Reddie dep. 38-40, 59, 99, 116-17.) If a claims examiner determined that a certain claim could be paid, but the system denied the claim the claims examiner could and did override the system or “finagle the claim to pay how they wanted it to pay.” (See Gatanti dep., pp. 24-25; Reddie dep. 25-26.) BeneFirst’s claims examiner also were responsible to determine whether there was other available insurance to pay a claim, to determine whether there was subrogation claim, to conduct investigations in connection with making those determinations, and to pursue other insurance and subrogation where it deemed appropriate. (See BF 30(b)(6) dep. (4/15/08 - Dobens), p. 92-94; Arel Aff., pp. 1-2.) As a practical matter, the Aubuchon Companies had no involvement in the claims adjudication process, unless approached by an employee regarding a denial of benefits by BeneFirst. (See Reddie dep. p. 82; Lord Dep., pp. 42-45, Arel dep., pp. 165-67; Arel Aff., pp. 1-2.) W.E. Aubuchon deferred to and relied upon BeneFirst’s interpretation of the Plan. (See Reddie dep., pp. 111-12; Arel Aff., pp. 1-2.) BeneFirst does not deny that claims were paid in error. (See BF 30(b)(6) dep. (Dobens), pp. 102-04; Reddie dep., pp. 91-92, 96; 5/17/08 Email.)

9. BeneFirst did, in fact, maintain claims records. (Gatanti dep., pp 86-88, Reddie dep., 63-67.)

10. It is undisputed that BeneFirst had authority and control over the collection and disposition of Plan Assets. BeneFirst determined, on a weekly basis, the

number and dollar amounts of the claims to be paid and reported that figure to the Aubuchon Companies in a "Check Edit Report." (See BF 30(b)(6) dep. (4/15/08-Dobens), p. 40-42; Gatanti Dep., pp. 35-36, 96-99; Reddie Dep. 62-63; ASA, pp. 1, 2, 5.) Upon receipt of that report, the Aubuchon Companies funded the account upon which BeneFirst was a signatory in the requested amount. (See BF 30(b)(6) dep. (4/15/08-Dobens), p. 42-45; Gatanti dep., pp. 35-36, 96-99; ASA, pp. 1, 2, 5.). After the funding was received, BeneFirst would send a file a vendor who actually printed and mailed the checks to the care providers. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 44-45, 47; Reddie dep., pp. 62-63; ASA, pp. 1, 2, 5.)

11. BeneFirst also sent out coupon books for, collected, and paid itself its two-percent commission off the top of the COBRA premiums it collected prior to remitting the balance to the Aubuchon Companies. (See BF 30(b)(6) Dep. (4/15/08-Dobens), p. 126-27, 131-132; ASA, pp. 4, 11.)

12. BeneFirst was aware that there was no one within the Aubuchon Companies that was trained in claims administration and that they were relying upon BeneFirst for claims adjudication. (See BF 30(b)(6) Dep. (4/15/08 - Dobens), p. 84. Compare Arel Aff., pp. 1-2.) Despite this, BeneFirst contends that it was "just a record keeper for the plan" and "nothing more than a vendor to a plan sponsor or a fiduciary of a plan." (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 81, 97.) BeneFirst contends that it did not have discretion over the plan, could not decide what benefits to provide to participants, and solely paid claims according to the plan document. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 80-82.) BeneFirst contends that while it had a fiduciary

responsibility to its clients, it did not had such a responsibility to the plans. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 82-83.)

13. W.E. Aubuchon terminated BeneFirst effective December 31, 2004 because it no longer had confidence in their oversight of the Plan. (See BF 30(b)(6) dep. (4/15/08-Dobens), p. 31; Arel dep., pp. 52-53; Moran dep., 73.) In this regard, the W.E. Aubuchon had a number of very large claims during the 2003-2004 Plan year. (See Arel dep., p. 54.) In a letter dated June 29, 2004 from the president of BeneFirst to the President of W.E. Aubuchon, BeneFirst represented that the W.E. Aubuchon could expect to receive a \$478,000 reimbursement from their aggregate stop loss carrier for the period July 1, 2003, through June 30, 2004, based on their claims history for that period. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 25-26,; Arel dep., pp. 53-55; 6/29/04 Letter, p. 1.) BeneFirst further represented that "BeneFirst has gone through a few aggregate reimbursement audits. I am proud to report the results were flawless on each one." (See BF 30(b)(6) Dep. (4/15/08 - Dobens), pp. 25-26, 6/29/04 Letter, p. 1). However, when the aggregate stop loss insurer audited the claims, the figure BeneFirst had previously reported to W.E. Aubuchon was not substantiated. (See Arel dep., p. 55; 5/17/05 Email.) This occurred because there was an error in a report generated by BeneFirst which overstated the aggregate claims. (See Gatanti dep., pp. 69-75.) Rather than report the error in the report or adverse results of the stop loss insurer's audit of the reimbursement claim, BeneFirst, in apparent fear of the potential consequences, sat on that information for months. (See Gatanti dep., pp. 69-75, 149, Ex. 1; Reddie dep., pp. 78-79; Arel dep., p. 55.) Between June and November, W.E. Aubuchon made repeated inquires as to the status of the stop loss reimbursement. (See Arel dep., p. 55.) After

W.E. Aubuchon's president, Marcus Moran, advised BeneFirst of his intention to report the stop loss anticipated reimbursement in a November 2, 2004 letter, the issue came to a head in a November 5, 2004 meeting involving representatives of both BeneFirst and W.E. Aubuchon. In that meeting, BeneFirst first advised that the reimbursement would not be in the amount previously anticipated. (See Arel dep., pp. 55-56, 95.) The information was not well received and BeneFirst was terminated in a follow-up telephone conference call several days later. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 21-26; Arel dep., p. 62.) BeneFirst was terminated because of a lack of confidence in their administration of the W.E. Aubuchon Plan and because W.E. Aubuchon had not been able to get accurate information from them. (See Gatanti dep., p. 61; Reddie dep., pp. 96-97; Arel dep., pp. 52-53; Moran dep., p. 73; W.E. Aubuchon's Supp. Ans. Ints., No. 20.)

14. It is not disputed that the only plan document for each of the Aubuchon Companies' Plans was the Summary Plan Description ("SPD"). (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 63-64.)

15. The Introduction in Section I of each of the relevant SPD provides in pertinent part as follows:

The Plan Administrator has full discretionary authority to interpret this Plan and its provisions and regulations with regard to eligibility, coverage, benefit entitlement, benefit determination and general administrative matters. The Plan Administrator's decisions will be binding on all Covered Employees and their beneficiaries and conclusive on all questions of coverage under this Plan. (emphasis added)

(See W.E.A.S.P.D. (7/1/01), p. 1); W.E.A.S.P.D. (9/1/02), p.1; A.D.S.P.D., p. 1.)

16. The SPD further provides in its General Plan Provisions at VIII. A.3. that:

The Plan Administrator shall be a named fiduciary for purposes of Section 402(a)(1) of ERISA, shall administer the Plan in

accordance with its terms, and shall have complete discretionary authority and all powers necessary to carry out its terms and to control and manage the operation and administration of the Plan, including, but not limited to the following:

...

- (g) to employ or retain counsel, accountants, third party administrators, actuaries or such other consultants as may be required to assist in administering the Plan;...(emphasis added)

(See W.E.A.S.P.D. (7/1/01), pp. 58-59; W.E.A.S.P.D. (9/1/02), p. 60; A.D.S.P.D. (8/25/01), pp. 57-58.)

17. The SPDs' Definitions provides, in pertinent part, the following:

Contract Administrator. BeneFirst, LLC together with any other of its programs, units, or divisions that is designed to perform claims administration functions under the Plan ...

...

Plan Administrator. W.E. Aubuchon Co., Inc. [or W.E. Aubuchon Distribution Co., Inc.]. The term Plan Administrator also means any person or persons to whom the Plan Administrator delegates all or part of its authority under the Plan. (emphasis added)

(See W.E.A.S.P.D. (7/1/01), pp. 72, 79; W.E.A.S.P.D. (9/1/02), pp. 74, 81; A.D.S.P.D. pp. 71, 78.)

18. The Summary Plan Description further provides in its SPD in Section II as follows:

The Plan is self administered by the Employer, which is a "named fiduciary" and the "plan administrator" under ERISA. The Employer has delegated claims administration and other day-to-day functions for all benefits except prescription drug benefits and certain vision care benefits to the following Contract Administrator:

BeneFirst, LLC
P.O. Box 1421
Marshfield, MA 020250-877
823-6334 (Member Services)
www.BeneFirst.com

(See W.E.A.S.P.D. (7/1/01), p. 4; W.E.A.S.P.D. (9/01/02), p. 3; A.D.S.P.D., p. 4.)(emphasis added).

19. Less than a year after the commencement of this lawsuit, BeneFirst sold all or substantially all of its assets to America's Choice Health Plans, including most of its computers, and ceased active business operations. (See BF 30(b)(6) dep. (9/7/06 - Dobens), pp. 7-9. See also Order on BeneFirst's Motion for Reconsideration of Court's Discovery Order Related to Medical Bills, dated February 6, 2007, p. 3 (Document #40)).

20. An audit of 208 claims transactions processed by BeneFirst under the W.E. Aubuchon Plan for the July 1, 2003, through June 30, 2004, aggregate stop loss period was performed by Northshore International Insurance Services, Inc. ("NIIS") at the request of BP, Inc., a stop loss general managing underwriter for the W.E. Aubuchon Plan. (See 4/8/05 NIIS Report, p. 1. The findings of the audit were memorialized in a report to BP, Inc. dated April 8, 2005. (See Id.) The audit recommended a deduction of \$107,057.90 from the aggregate claim.

21. Thereafter, W.E. Aubuchon engaged NIIS to conduct an audit of 122 claims transactions processed by BeneFirst under the W.E. Aubuchon Plan for the period July 1, 2002, through June 30, 2003, and 138 claims transactions processed by BeneFirst under the W.E. Aubuchon Plan for the period July 1, 2004, through December 31, 2004. The findings of this audit were memorialized in a report to W.E. Aubuchon dated July 22, 2005. (See 7/22/05 NIIS Report; 4/8/08 NIIS Report, p. 2.)

22. In discovery, the Aubuchon Companies served requests for production seeking, among other things, claims records for the W.E. Aubuchon and Aubuchon Distribution Plans. BeneFirst objected to producing the requested materials and motion practice ensued which culminated in an Order dated February 6, 2007, in which the Court (Hillman, M.J.) denied BeneFirst's Motion for Reconsideration and ordered BeneFirst to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiff's at their own [BeneFirst's] expense. (See Order. P. 12).

23. BeneFirst, however, only produced documents pertaining to 1,777 of the 2,991 W.E. Aubuchon Plan claims which it was ordered to produce by the Court. (See 8/31/07 Letter, p. 1; Adm. Resp., Nos. 10-12.)³

24. Similarly, BeneFirst has only produced documents pertaining to 105 of the 166. Aubuchon Distribution Plan claims which it was ordered to produce by the Court. (See 8/31/07 Letter, p. 1.)

25. BeneFirst admits that "it produced all claims images in its possession, custody or control in complying with Judge Hillman's order." (See Adm. Resp., Nos. 10-12.)

26. It is cannot be disputed that the claims images which BeneFirst has failed to produce are relevant to its liability, including without limitation its failure to maintain claims records as required by the ASA and to the Aubuchon Companies damages. (See Order, pp. 10, 12.)

27. BeneFirst's failure to maintain the claims records at issue was a breach of the ASA. (See ASA, p. 2.)

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC., W.E.
AUBUCHON CO. INC. EMPLOYEE
MEDICAL BENEFIT PLAN, and
AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN
By their attorneys,

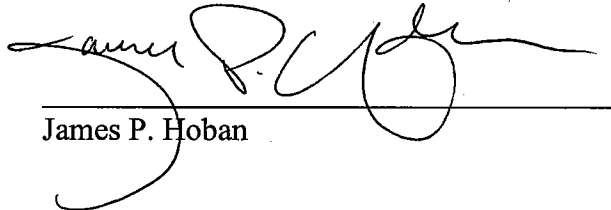


Louis M. Ciavarra (BBO #546481)
James P. Hoban (BBO #633929)
Colleen E. Cushing (BBO #663498)
Bowditch & Dewey, LLP
311 Main Street, P.O. Box 15156
Worcester, MA 01615-0156
(508) 791-3511

Date: August 27, 2008

CERTIFICATE OF SERVICE

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non-registered participants on August 27, 2008.



James P. Hoban

1

Exhibits: 1-7

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CA No. 05-40159FDS

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC.,
W.E. AUBUCHON CO., INC. EMPLOYEE
MEDICAL BENEFIT PLAN,
and AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs

v.

BENEFIRST, LLC,

Defendant

30(b)(6) DEPOSITION OF BENEFIRST,
LLC, through its Designee, CHARLES T.
DOBENS, and CHARLES T. DOBENS, Individually
taken at the request of the Plaintiffs,
pursuant to Rule 30 of the Massachusetts
Rules of Civil Procedure before Kathleen M.
Bradley, Notary Public and Registered
Professional Reporter in and for the
Commonwealth of Massachusetts, on Tuesday,
April 15, 2008, commencing at 10 a.m. at
the offices of Bowditch & Dewey, 311 Main
Street, Worcester, Massachusetts.

BAY STATE REPORTING AGENCY
76 MILL STREET (At Park Avenue)
WORCESTER, MASSACHUSETTS 01603
(508) 753-4121

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CA No. 05-40159FDS

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC.,
W.E. AUBUCHON CO., INC. EMPLOYEE
MEDICAL BENEFIT PLAN,
and AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs

v.

BENEFIRST, LLC,

Defendant

30(b)(6) DEPOSITION OF BENEFIRST,
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taken at the request of the Plaintiffs,
pursuant to Rule 30 of the Massachusetts
Rules of Civil Procedure before Kathleen M.
Bradley, Notary Public and Registered
Professional Reporter in and for the
Commonwealth of Massachusetts, on Tuesday,
April 15, 2008, commencing at 10 a.m. at
the offices of Bowditch & Dewey, 311 Main
Street, Worcester, Massachusetts.

BAY STATE REPORTING AGENCY
76 MILL STREET (At Park Avenue)
WORCESTER, MASSACHUSETTS 01603
(508)753-4121

WITNESS DIRECT CROSS REDIRECT RECROSS

CHARLES T. DOBENS

MR. CIAVARRA: 4 130

MR. BRODIE: 122

EXHIBITS

1 ReNotice of Deposition 5

2 6/29/04 Letter from 25
Mr. Sullivan to Mr. Moran

3 11/2/04 Letter to 28
Mr. Sullivan from Mr. Moran

4 8/2/05 Letter from C. Dobens 70
to Atty. Gelinas with ASA

5 EMail 5/17/05 104

6 4/8/05 Letter from 106
NorthShore

7 Sales Proposal 116
AUB 417-427

2 APPEARANCES:

FOR THE PLAINTIFF:

BOWDITCH & DEWEY
311 Main Street

Worcester, Massachusetts 01615
BY: LOUIS M. CIAVARRA, ESQ.

FOR THE DEFENDANT:

THE MCCORMACK FIRM, LLC
One International Place
7th Floor

Boston, Massachusetts 02110
BY: ERIC L. BRODIE, ESQ.

PROCEEDINGS

CHARLES T. DOBENS, having been
satisfactorily identified by the production
of his driver's license, and duly sworn,
was examined and testified as follows:

MR. CIAVARRA: We will continue
with the usual stipulations that we've had.
Reserve all objections except as to form
and motions to strike until the time of
trial.

The witness will read and sign
his transcript, no requirement of
notarization.

MR. BRODIE: For the record I
agree. So stipulated.

MR. CIAVARRA: Thank you.

DIRECT EXAMINATION

BY MR. CIAVARRA:

Q. Mr. Dobens, you understand you're
here for your deposition today, right?

A. Yes.

Q. And you and I have done this one once
before?

A. Yes.

1 Q. And you recall that?

2 A. I think you were a little heavier
3 before.

(Discussion off the record)

5 Q. The rules haven't changed. I'm here
6 to ask you questions about this case and
7 she will be taking down my questions and
8 your answers. And it's really not more
9 complicated than that.

10 As far as the only other thing
11 that's changed you're also here on behalf
12 of the company to testify on certain
13 topics. Do you understand that?

14 A. Yes.

15 Q. And you've seen that notice?

16 A. Yes.

17 MR. CIAVARRA: Just for the
18 record we'll mark this as Exhibit 1.

19 (Exhibit 1, Notice of
20 Deposition, marked)

21 Q. The notice that listed, you can share
22 it with Eric.

23 A. Yes, this is the one I looked at
yesterday, yes.

6

1 Q. So you understand you are here to
2 testify individually as Charles Dobens, but
3 also a representative of the company?

4 A. Sure.

5 Q. And you've taken a look at this list
6 of 23 topics?

7 A. Yes.

8 Q. And done whatever you think is
9 necessary to be able to answer questions on
10 those topics?

11 A. Yes.

12 Q. And just for the record does
13 BeneFirst still exist as an entity?

14 A. No.

15 Q. And what happened? Has the company
16 been dissolved?

17 A. The assets were sold to America's
18 Choice Health Plans out of Houston, Texas.

Q. And then what happened to the legal
entity, the LLC, after the asset sale?

21 A. You know, you'd have to check with
22 them because they took the name. It's my
23 understanding that they took the name as
24 well.

1 Q. You may not know the answer to this,
2 so if you don't, feel free to tell me. But
3 you did not sell the stock, you sold the
4 assets?

5 A. That's correct. There was no stock.

6 Q. I'll ask you the same question I
7 asked you last time, because it's an LLC.
8 But the LLC itself was not sold, the assets
9 were sold?

10 A. Yes, that's correct.

11 Q. So you continued as the sole member
12 of that LLC?

13 A. No, I was not the sole member. There
14 still were other members existing.

15 Q. So what happened to the entity?

16 A. You know, I think it's just defunct
17 right now, although I think that's the
18 legal and non-legal status.

19 Q. It has no assets?

20 A. It has nothing, no.

21 Q. So the only ability it has to pay a
22 judgment in this case is if there's
23 insurance?

24 A. Exactly, yes.

8

1 Q. When the assets were sold was there
2 any distribution to any of the members?

3 A. No, it was essentially a break-even.

4 Q. You paid off debts?

5 A. Yes.

6 Q. And what are you doing now for a
7 living?

8 A. I'm a real estate investor.

9 Q. Not involved in the health insurance
10 business currently?

11 A. No.

12 Q. And what's your home address?

13 A. 30 Parkers Grove Lane in Duxbury.

14 Q. Do you know where is Mr. Sullivan
15 now, Paul Sullivan?

16 A. You know, I haven't spoken to him
17 since probably about 2005, 2006. I would
18 believe he's still down in Mashpee. He
19 had two homes in Mashpee.

20 Q. And do you know what he's doing
21 professionally?

22 A. I believe he's an insurance broker,
23 benefits broker. I mean this is all -- you
24 know, I may be totally wrong so --

1 Q. Okay. You've just got to give me
2 your best information. And Maureen
3 FitzGerald, where is she now?
A. I'm assuming she's with him doing the
5 same thing.

6 MR. BRODIE: Meaning Paul
7 Sullivan?

8 A. Paul Sullivan, yes.

9 Q. And you've have had no contact with
10 him?

11 A. None whatsoever.

12 Q. When is the last time you spoke to
13 Paul Gatanti?

14 A. Oh brother -- I think the last time I
15 spoke to him was at his father's funeral,
16 which was shortly after the time he left
17 BeneFirst. I really don't think I've had
18 any communication with him since then.

19 Q. And Carrie Reddi, when is the last
20 time you spoke with her?

21 A. I've got to think that the last time
22 I spoke to her was maybe like one of her
23 last days at BeneFirst.

Q. When was that?

10

1 A. Oh brother -- 2006, some time in
2 2006. I haven't spoken to anyone at
3 BeneFirst about anything really since the
4 company dissolved, especially not about
5 this case whatsoever. So I have had no
6 communications.

7 Q. So if I can shortcut it then is the
8 only conversations you've had with anyone
9 about this case or about Aubuchon is with
10 your lawyers?

11 A. Exactly, yes.

12 Q. Have you reviewed the audit reports
13 that were completed by Northshore in this
14 case?

15 A. No. I believe there are two audit
16 reports. I just want to make sure we're
17 talking about the right one.

18 Q. We'll go through them all.

A. Okay.

19 Q. So let's break it down if that's
20 easier for you.

21 While Aubuchon was still a
22 client of BeneFirst there was an audit
23 completed by Northshore for the excess
24

1 carrier. Do you recall that?

2 A. Yes.

3 Q. And that was back in 2005 I believe?

4 A. Right.

5 Q. Did you review that at the time?

6 A. Yes, that one I reviewed.

7 Q. Subsequent to the separation between
8 Aubuchon and BeneFirst, Aubuchon engaged
9 Northshore to do an audit back in, again,
10 in 2005. Have you reviewed that audit?

11 A. I don't believe I have. I believe
12 we had asked for that and never received it
13 because they claimed it was their property,
14 they paid for it, so they kept it to
15 themselves.

16 Q. And in connection with this lawsuit
17 Northshore has done additional audit work,
18 copies of which the reports were provided
19 as attachments to Answers to
20 Interrogatories. And I'll get to the
21 actual paper, but have you reviewed those?

22 A. I don't think I have. I don't think
23 I've seen that yet.

24 Q. We'll get to them specifically. In

12

1 order to prepare for the deposition today
2 what documents, if any, did you look at?
3 A. I went through Sarah Arel's
4 deposition. I briefly looked at the draft
5 of Paul Gatanti's deposition. We obviously
6 went through my answers to responses or
7 questions.

8 Q. Interrogatories?

9 A. Interrogatories. And then I
10 reviewed, and this kind of is, you know, a
11 good little Cliff Notes version of what
12 things I needed to remember and what the
13 case is all about.

14 So I think in preparation for
15 today's visit I think that is a pretty
16 extensive list of what I've done.

17 Q. Okay. So Paul Gatanti's deposition,
18 which was just yesterday, you got a copy of
19 that transcript?

20 A. Yes, I looked at a draft of that.

21 Q. And did you notice anything that he
22 stated that was incorrect?

23 A. I was not able to go through the
24 whole thing.

1 Q. But from whatever you saw, did you
2 see anything that struck you as being
3 wrong?

4 A. No, I think everything that he said
5 that I looked at was right on the mark.

6 Q. And how much of it did you get
7 through?

8 A. I would say about ten to 15 pages
9 pages.

10 Q. And when you reviewed Sarah Arel's
11 transcript, did you see anything in there
12 that you disagreed with?

13 A. I didn't go entirely through her
14 transcript. And I didn't see -- I didn't
15 see in there anything that I had an issue
16 with, but I did not review the entire
17 document.

18 Q. How much of that did you get through?

19 A. Oh geeze, I probably went through, I
20 think it was like 168 pages. I think I did
21 about 30 to 40 pages of it, just briefly
22 skimmed through it.

23 Q. But nothing stuck out at you?

A. No, nothing that I saw in the papers

14

1 stuck out at me.

2 Q. That's okay. And Kim McMann's
3 deposition was taken as well. Have you
4 seen her deposition?

5 A. No, I did not know that she was
6 deposed.

7 Q. I'm not going to mark these right
8 now, but these are Plaintiff's, that's
9 Aubuchon, Plaintiff's Answers to

10 Interrogatories, which are the written
11 questions submitted by your lawyers.

12 A. Okay.

13 Q. And I just want to know if you've
14 seen those before.

15 A. No, I have not seen these.

16 Q. Before I was asking you about audit
17 work that had been done by Northshore and
18 if you just look at Exhibits, I'm not going
19 to ask you detailed questions, but just to
20 see if you've seen Tabs 1, 2 or 3 before.

21 A. Well, you know, you see, I can't
22 answer that specifically just because this
23 Exhibit 1 does not look familiar to me, but
24 Exhibits 2 and 3, the form looks familiar,

1 but I did see their original format for the
2 first one. So I can't say whether this is
3 for the first audit or the second audit.

4 Q. So the format looks familiar?

5 A. Yes.

6 Q. You're just not sure if the substance
7 is the same stuff.

8 A. Yes, exactly.

9 Q. We'll come back to that specifically.

10 You understand that in this case there's a
11 claim by Aubuchon that BeneFirst overpaid
12 certain medical claims that were due to be
13 paid under their insurance, right?

14 A. So they were eligible claims, but the
15 amounts were overpaid.

16 Q. This is not just that. There could
17 be, I'm not trying to limit the reasons why
18 there were over-payments. It could be a
19 variety of reasons.

20 My question isn't directed to
21 the causation there.

22 A. Okay.

23 Q. I'm just trying to get a sense of
24 30,000 feet now and come down to it.

16

1 A. Okay.

2 Q. You understand that Aubuchon claims
3 it was damaged because it paid more in
4 medical claims than it should have had
5 BeneFirst done their job properly?

6 A. Yes, I understand that.

7 Q. What have you done, if anything, to
8 determine whether or not that allegation is
9 accurate?

10 A. As a company, or me personally or --

11 Q. I'll ask you personally, and if it's
12 different as a company let me know.

13 A. Oh, me personally as Charles Dobens,
14 I don't think I did anything. I think as
15 BeneFirst, what we did, obviously, is when
16 we processed the claims and then we filed,
17 they exceeded their attachment point and
18 then we filed that claim with the stop loss
19 carrier.

20 The stop loss carrier comes in
21 or sends an auditor in to look at the
22 claims and they do an audit.

23 So whatever the results come
24 back as, I mean that's pretty much, Hey,

1 you paid this wrong, you didn't pay this
2 one wrong.

3 So I think at the time, and my
4 numbers may be off. I think we originally
5 filed for \$73,000 aggregate, and after the
6 audit it came down to \$71,000.

7 My numbers may be off. That's
8 what I remember, is that after the audit
9 they knocked off a nominal amount from what
10 we originally filed a claim for.

11 Q. Okay. I'm going to come back to my
12 first question, but go ahead.

13 A. So I hope that answers your question,
14 that that's what we would have done. We
15 laid ourselves bare to the auditor to come
16 in and tell us whether we paid the claims
17 correctly or not.

18 Q. And this is obviously pre-lawsuit
19 you're talking about, the audit that was
20 done for the excess carrier?

21 A. Yes.

22 Q. And when that audit came in, did you
23 review that? You already said you did.
You took a look at that?

18

1 A. Yes, I took a look at it, yes.

2 Q. And did you see any errors in that
3 audit that you disagreed with?

4 A. Oh, I think there were some. You
5 always get some errors you disagree with
6 the stop loss carrier on, what they came
7 back with.

8 And so then you sit down with
9 the auditor and say, Now you're wrong here,
10 this is how we do it.

11 And if they accept your
12 explanation, then they'll bring the claim
13 back in.

14 Q. Who did that on behalf of BeneFirst?

15 A. Paul Gatanti. Paul Gatanti oversaw
16 that department. Cheryl MacCloud I think
17 was the one that was actually responsible
18 for filing the stop loss claims.

19 Q. Do you recall though that the
20 original amount estimated by BeneFirst was
21 actually \$478,000?

22 A. Okay. Now when you say that, it's
23 just important that you understand that
24 number. That was a gross unaudited number

1 off of the RCR report. And everybody knew
2 that that number was prior to everything
3 being cleaned out and flushed out.

4 So within -- I believe a stop
5 loss claim has to be filed within 30 days
6 of the end of the policy year. And when we
7 filed a claim we knew it was 70-some-odd
8 thousand dollars.

9 Q. When you say "we knew," you mean
10 BeneFirst knew?

11 A. Benefirst, yes.

12 Q. You're not suggesting that Aubuchon
13 knew?

14 A. No, I'm not suggesting that Aubuchon
15 knew at that time that it was only
16 70-some-odd-thousand dollars.

17 Q. In fact, up until the report came
18 from the stop loss carrier BeneFirst as a
19 company was telling Aubuchon that the
20 number was \$475,000, right?

21 MR. BRODIE: Objection to form.
22 You can answer.

23 A. Okay. BeneFirst had told Marcus
24 Moran -- Paul Gatanti had told Marcus that

20

1 that \$400,000 number was an unaudited
2 number and don't go by that.

3 Marcus said, Well, what should
4 I expect? And Paul Gatanti said you can
5 expect probably around \$200,000. And this
6 was prior to the account final claim being
7 filed.

8 And so that was BeneFirst had
9 told Marcus Moran about \$200,000.

10 Q. And you didn't say that?

11 A. No, I wouldn't have known that
12 information.

13 Q. And where do you get this information
14 that Gatanti? Because that was not in his
15 testimony yesterday.

16 A. Okay. Well, that's my recollection
17 as to how the conversation went.

18 Q. And this is something that you think
19 Gatanti told you that he told Marcus Moran?

20 A. I actually think I was in the room
21 when it was said.

22 Q. So tell me about that meeting.
23 Because what's important here today is for
24 us to know what your specific memory is,

1 not assumptions, not guesses, what you
2 recall happening.

3 A. Right. I recall happening that early
4 on when the claim was first filed or prior
5 to the claim being filed there was a big
6 discussion about the RCR report showing a
7 \$400,000 aggregate reimbursement.

8 We knew that the RCR report was
9 a gross unaudited report that included
10 everything including the kitchen sink and
11 the number.

12 And I remember there was some
13 meeting with Marcus, Paul Gatanti, and
14 myself. I don't remember who else was
15 present.

16 But I remember Marcus being
17 told that it was not 400. And he said, How
18 much should I expect? And Paul Gatanti
19 said about 50 percent or about \$200,000.

20 And I remember that coming back
21 to roost at a later meeting with Aubuchon
22 and Marcus Moran, and everybody was there,
23 Paul Sullivan, Maurie FitzGerald, Sarah
Arel, Kim McMann, Aubuchon Jr., I don't

22

1 remember his name.

2 Q. William?

3 A. William Jr.?

4 Q. Is that who was there?

5 A. Yes, it was a young guy. I never met
6 him before. And I just remember he was an
7 Aubuchon and it was a Junior, and he was
8 getting more involved in the Benefits side.
9 Paul Gatanti, myself.

10 And in that meeting that's when
11 the amount, the total amount of the
12 aggregate came out as being
13 70-some-odd-thousand.

14 And I'll never forget, I was
15 sitting like sideways Marcus. And Marcus
16 is like, "Oh, this is not good. This is in
17 not good."

18 And I said, "Why?" That's
19 actually good news that it's a smaller
20 claim than you expected."

21 And he says, "No, I told my
22 Board of Directors that it was going to be
23 \$400,000."

24 I said, "Why would you do that?"

1 We told you at the time 200. It wasn't
2 about to grow any larger. Why did you make
3 it 400?"

4 So that's -- I remember through
5 the whole course of events that the
6 original time we told Mark is \$200,000 was
7 way back in July before we had finalized
8 the aggregate claim. So --

9 Q. Let me try and be specific on some
10 things. First of all, this meeting that
11 you have a memory of in which you claim Paul
12 Gatanti told Marcus that the number was
13 \$200,000, not \$478,000, when do you believe
14 that meeting occurred?

15 A. That meeting would have occurred at
16 the end of July, beginning of, end of June,
17 beginning of July of the year in question
18 for the aggregate filing.

19 Q. And the year you're talking about,
20 just for the record, is 2004?

21 A. Okay, 2004.

22 Q. And the meeting in which Mark
23 indicated he had conveyed the \$478,000 to
24 his Board, when did that occur?

24

1 A. That occurred like end of October,
2 beginning of November.

3 Q. In the middle of 2004 Paul Sullivan
4 was your President of the company, right?

5 A. Yes.

6 Q. And he had full authority to speak on
7 behalf of the company?

8 A. Yes.

9 Q. And let me show you a letter dated
10 June 29, 2004 from Mr. Sullivan to Mr.
11 Moran and ask you if you recall that.

12 A. (Reading document)

13 MR. BRODIE: You can read
14 through the whole letter.

15 THE WITNESS: Sure.

16 A. (Reading document.) Okay.

17 Q. First question, you're not cc'd on
18 that letter, right?

19 A. No.

20 Q. Do you recall that letter?

21 A. I think I recall having an issue with
22 this letter.

23 MR. CIAVARRA: Why don't we
24 mark this as Exhibit 2.

1 (Exhibit 2, 6/29/04 Letter from
2 Mr. Sullivan to Mr. Moran,
3 marked)

Q. Okay. So let's start off first.

5 This is a letter from the President of
6 BeneFirst to the President of Aubuchon,
7 right?

8 A. Yes.

9 Q. Dated June 29, 2004?

10 A. Correct.

11 Q. And you have a memory of seeing a
12 letter, this letter, on or about that time?

13 A. Yes.

14 Q. And in this letter Mr. Sullivan is
15 representing to Aubuchon that the aggregate
16 number that he could expect to get from the
17 excess carrier based upon their claims
18 history for that time period was \$478,000,
19 right?

20 MR. BRODIE: Objection.

21 Q. Is that what he's representing in the
22 letter?

23 A. Yes.

Q. And he's also representing in the

26

1 last paragraph that, I'm sorry, the last
2 paragraph on the first page, "That while
3 this is subject to an audit, we've been
4 through several audits, and he's proud to
5 say they have gone through them cleanly,"
6 isn't that what he's saying?

7 A. Yes.

8 Q. And as the recipient of that letter
9 would it be fair to assume that you could
10 expect to get \$478,000?

11 MR. BRODIE: Objection.

12 Q. Would you agree with that?

13 A. Except for this letter, the last
14 phrase of the report it is an unaudited
15 report.

16 Q. Then read the next paragraph. Why
17 don't you read the next paragraph after
18 that into the record, please.

19 A. "BeneFirst LLC has gone through a few
20 aggregate reimbursement audits. I am proud
21 to report the results were flawless on each
22 one." I think that's maybe --

23 MR. BRODIE: He just asked you
24 to read it.

1 MR. CIAVARRA: He can finish.

2 A. No --

3 Q. What were you going to say?

4 A. I think that you're talking about two
5 different things really. You're talking
6 about what the RCR says versus what a
7 Northshore audit, a Northshore audit
8 company would come in and do.

9 And I can tell you that based
10 upon what we filed and what was audited,
11 that last statement is still a correct
12 statement.

13 Q. By the way, I have not seen what you
14 filed. Do you have that?

15 A. No, I don't have that. I think my
16 recollection is that they kicked out
17 approximately \$2,000 of the reimbursement
18 that we had filed for.

19 Q. But the actual filing, do you have a
20 copy of that record anywhere?

21 A. I do not, no.

22 Q. I've never seen it. Okay. When you
23 saw this letter did you pick up the phone
24 and call Mr. Moran and say I want to talk

28

1 about what's in here?

2 A. I didn't call Mr. Moran. Paul
3 Sullivan had the direct relationship with
4 Marcus.

5 Q. Did you instruct Mr. Sullivan to
6 follow up with Mr. Moran after this letter
7 was sent?

8 A. Oh yes.

9 Q. And do you know if he did?

10 A. I know that he did not.

11 Q. Let me show you a letter dated
12 November 2, 2004 from Mr. Moran back to Mr.
13 Sullivan and ask you to read that first.

14 A. (Reading document) Okay.

15 Q. Did you see a copy of that letter in
16 or about November of 2004?

17 A. I don't believe so.

18 MR. CIAVARRA: Have this marked
19 as Exhibit 3.

20 (Exhibit 3, Letter from Mr.
21 Moran to Mr. Sullivan,
22 11/2/04, marked)

23 Q. Have you seen this letter before at
24 any time?

1 A. I can't recall seeing this.
 2 Q. In that letter Mr. Moran is
 3 indicating to Mr. Sullivan, to the
 4 President of your company, that he intends
 5 to report to the Board the \$478,000 number,
 6 right?
 7 A. Yes.
 8 Q. That's what it says?
 9 A. Yes.
 10 Q. Okay. And what action, if any, did
 11 BeneFirst take at that time to indicate or
 12 to tell Mr. Moran he shouldn't do that,
 13 that you know of?
 14 A. Well, at that time I don't know what
 15 we did.
 16 Q. If you don't know, you don't know.
 17 A. Yah.
 18 Q. The meeting that you told us about in
 19 which Mr. Moran appeared, I don't know if
 20 upset or concerned is the right word, but
 21 not happy with the fact that the number was
 22 not 478, does this help you place this
 23 meeting at some time after this date?
 A. Okay. See, that's why I answered the

30

1 question the first time like that. I
 2 wasn't quite sure when because I don't
 3 remember exactly the chronology of events
 4 here.
 5 I don't know whether this
 6 letter came before that meeting, I don't
 7 remember getting it.
 8 If this went to my partner,
 9 Paul Sullivan, this is the type of thing he
 10 would hide from me or wouldn't show me.
 11 And so I don't know whether
 12 this letter --
 13 Q. If you don't remember --
 14 A. All I remember, end of October,
 15 beginning of November is the timeframe that
 16 I remember that meeting occurring.
 17 Q. Well, what types of stuff did Paul
 18 Sullivan hide from you?
 A. You know, bad news.
 Q. What was Paul's responsibilities at
 the company in this 2004 timeframe?
 A. You know, his title was President.
 He was a member of the LLC. His primary
 role was in sales.

1 Q. How long after this letter did
 2 Aubuchon terminate the relationship with
 3 BeneFirst?
 4 A. Well, I think getting ready for this,
 5 they terminated on January 1 of 2005, so
 6 obviously there's a two-month window.
 7 Q. Who communicated that termination to
 8 you first?
 9 A. Paul Sullivan.
 10 Q. So you didn't hear that directly from
 11 Aubuchon?
 12 A. No.
 13 Q. From Mr. Gatanti's deposition
 14 yesterday, and I think you said it this
 15 morning, the \$478,000 number that we've
 16 seen referenced in Exhibits 2 and 3, that
 17 number comes off of the RCR report?
 18 A. Yes.
 19 Q. Mr. Gatanti spoke yesterday about an
 20 error in the RCR report that would
 21 overstate the aggregate. Do you know what
 22 I'm talking about?
 23 A. I wouldn't call it an error. You
 24 have to understand how to use the report,

32

1 what it can be used for and what it can't
 2 be used for.
 3 So I don't think that the
 4 report generated erroneous information.
 5 You had to understand that that information
 6 was unaudited and it included more detail
 7 than was needed.
 8 Q. But the RCR report would indicate
 9 what the aggregate number would be or could
 10 be expected to be. It would tell you what
 11 the total amount of payments had been for
 12 you to reach that threshold before your
 13 excess coverage would kick in?
 14 A. It could. If it was, you know, as I
 15 said, unaudited. If somebody went in there
 16 and cleaned out all those claims that were
 17 ineligible --
 18 Q. I'm just talking about the reader of
 19 the document.
 20 A. Yes, the reader of the document would
 21 not be able to know exactly what the
 22 reinsurance stop loss claim would be by
 23 looking at this RCR report.
 24 Q. But, tell me if I'm wrong, but the

1 \$478,000 number that was referenced in 2
2 and 3, you understood came from the RCR
3 report?

A. Yes, absolutely.

5 Q. And I think what you told me is
6 internally at BeneFirst you guys certainly
7 knew that you couldn't translate that 478
8 directly to what would be expected from the
9 stop loss carrier?

10 A. That's right.

11 Q. Had you known that throughout the
12 entire time of period that that fact, that
13 you guys were creating the RCR reports?

14 A. Since --

15 Q. Going back for years.

16 A. Oh, years. I think early on when we
17 first started using the RIMS system we
18 discovered that there was that discrepancy
19 with the actual stop loss limit and the RCR
20 report.

21 Q. Do you know what caused that --

22 A. The RCR report --

23 Q. Let me finish the question.

A. Sorry.

34

1 Q. That's okay. Do you know what caused
2 the RCR report to indicate \$478,000 as
3 opposed to what the actual claim was for?

4 A. Yes. The RCR would include pretty
5 much all the claims that we paid for that
6 client. It also could include specific
7 reimbursements, which are claims that are
8 ineligible to the aggregate, but claims
9 that went through their plan system.

10 It would include claims that
11 were paid outside the loss fund or
12 exceptions that would be kicked out in an
13 audit. So --

14 Q. And the people, when I say "the
15 people," you and Mr. Sullivan, Mr. Gatanti
16 were aware of that certainly throughout
17 2004?

18 A. Oh yah, yah.

19 Q. As the client, was the RCR report the
20 only report that you received from
21 BeneFirst?

22 A. Oh no.

23 Q. Let me finish the question.

24 A. I'm sorry.

1 Q. I know it's not the only report. Is
2 it the only report you received from
3 BeneFirst from which you could calculate or
4 even have any guesstimate as to what your
5 stop loss coverage would be?

6 MR. BRODIE: "You" meaning the
7 receiving -- the client --

8 A. Yah, the client, the client.

9 Q. Let me restate the whole question.

10 As a client, is the RCR report the only one
11 I received from BeneFirst which would
12 indicate to me what my stop loss insurance
13 might be?

14 A. I don't believe so.

15 Q. What other reports?

16 A. I believe that we did our own
17 in-house RLR, which is a Loss Ratio Report,
18 which would show a more accurate figure
19 because that would show a column for
20 specific reimbursements and you could net
21 that out.

22 Q. Let me stop you right there for a
23 second. First of all, do you know -- I'm
24 going to take them each one by one -- the

36

1 Loss Ratio Report, do you know if that was
2 provided to the clients, and if so, how
3 often?

4 A. It would have been done on a monthly
5 basis. And the report, if I remember
6 correctly, Maurie FitzGerald was their
7 service rep, and had been their service rep
8 for 20 years, and had continually provided
9 Aubuchon with her own report that they
10 liked to get that showed exactly where they
11 were throughout the course of the year.

12 Q. When you say "how they were," how
13 they were --

14 A. How the plan was running.

15 Q. And how they were moving towards the
16 excess coverage?

17 A. Yes.

18 Q. So you think -- this is a second
19 report now?

20 A. Yes, I mean it was very similar to
21 what we would typically do, but I think
22 Aubuchon had their own style of doing it
23 that she continued to do for them when she
24 came over to BeneFirst.

1 Q. We are going awfully fast here, so
2 let's you and I try to slow down.
3 The Loss Ratio Report, my first
4 question was do you know that was provided
5 to Aubuchon?

6 A. Through the normal course of business
7 it should have been provided to Aubuchon
8 every month.

9 Q. And you believe that Maurie
10 FitzGerald provided a separate report?

11 A. Yes.

12 Q. Any other reports from which the
13 client could make a determination of where
14 they stood for their stop loss coverage?

15 A. You know, essentially every report
16 would provide them with the information
17 that they would need to determine where
18 they are regarding their stop loss
19 insurance.

20 Q. How would it do that?

21 A. Every report shows exactly what was
22 paid that particular month or how much was
23 paid in a particular year. And they would
be able to look at that and say, Geez, this

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1 is what we've paid, and they could look at
2 their bank account and figure it out.

3 I mean it's not Rocket Science.
4 It's a checking account is really what it
5 is. And they could look to see what they
6 were paying out, what their cap was and how
7 it was running.

8 Q. Doesn't the RCR report, though, just
9 aggregate all of those reports into one
10 place?

11 A. Yes and no. I mean there's a lot of
12 information that's not included in the RCR,
13 but the information in the RCR is included
14 in all the other reports.

15 Q. I guess my point is that the numbers
16 that I would see as a client in the RCR
17 report would also be reflected in all these
18 other reports that we are talking about,
were they not?

19 A. Yes.

20 Q. So what in those other reports would
21 indicate to me that the RCR report was not
22 accurate?

23 A. A specific reimbursement in the ISA.

1 Q. What does "ISA" stand for?

2 A. That's an Individual Specific
3 Analysis.

4 Q. And your testimony is that those
5 dollars are not included in the aggregate
6 amount or should not be?

7 A. They should not be included in the
8 aggregate amount.

9 Q. This is you who I'm asking. Did you,
10 Charles Dobens, ever inform Aubuchon of
11 that fact?

12 A. Oh I believe -- to say me I would say
13 no, just because I didn't have that type of
14 relationship with Aubuchon.

15 Q. And what other information of these
16 other subsidiary reports, or these other
17 reports I should say, would I look at to
18 determine that the -- I have too many
19 reports in my head--

20 A. The RCR.

21 Q. -- the RCR does not or may not
22 accurately reflect my aggregate claim?

23 A. You know, I think another report that
24 would show it would be the -- well, the

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1 easy one is the check register.

2 I mean they get that every
3 month, they look to see what comes in, what
4 goes out. And that clearly would show you
5 an actual net number.

6 And as a matter of fact, I do
7 remember in that meeting where we talked
8 about the \$400,000 claim with Marcus being
9 upset, Marcus looks at it and says, "But we
10 paid out this much money according to your
11 report."

12 And Kim MacMann said, "No,
13 actually Marcus, we didn't. If you look at
14 the check register you'll see we did only
15 pay exactly what BeneFirst is showing right
16 there. " But that's not what Marcus wanted
17 to hear.

18 Q. Let's talk about the check register
19 for a minute and how, you know, bills got
20 paid. You're familiar with that process,
21 right?

22 A. Yes.

23 Q. My understanding, you know, and as I
24 said, we have the benefit of Paul's

1 testimony yesterday, was that on a monthly
2 basis BeneFirst would send to Aubuchon
3 something called a "Check Edit Report" that
4 would show exactly what was due to be paid
5 on claims for that month, is that correct?

6 A. I don't believe it was monthly.

7 Q. Okay. How often do you think it was?

8 A. For a company the size of Aubuchon it
9 was either weekly or biweekly.

10 Q. My concern about that answer is that
11 you're working through it logically as
12 opposed to your memory.

13 A. Yes. But --

14 Q. Let me finish my question.

15 A. I'm sorry.

16 Q. And the reason is because you said
17 for a company the size of Aubuchon. What
18 we're talking about is specifically
19 Aubuchon.

20 And my question is specifically
21 do you know how often they received their
22 Check Edit Reports?

23 A. Specifically Aubuchon, no.

24 Q. Then you should say that just so we

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1 have a clean record.

2 A. But you were asking another question
3 that included the word "monthly," and I
4 couldn't answer that question because I
5 don't believe it to be monthly.

6 Q. My next question would be regardless
7 of how often it went, you do know
8 periodically BeneFirst sent that Check Edit
9 Report to Aubuchon?

10 A. Yes.

11 Q. And that report would show the amount
12 of money that Aubuchon needed to transfer
13 into an account so that the claims could be
14 paid?

15 A. Correct.

16 Q. And BeneFirst calculated that amount
17 and communicated it to Aubuchon in this
18 report, right?

A. Yes.

19 Q. And it calculated that amount based
20 upon the claims it had received during that
21 period of time, however long that was?

22 A. Correct.

23 Q. Then the next step in the process is

1 Aubuchon would then put that amount of
2 money into an account either by check or by
3 wire transfer?

4 A. Correct.

5 Q. Do you recall how they did it?

6 A. I do not.

7 Q. And that account was, the account
8 that the money was transferred into, in
9 whose name did that account stand?

10 A. I don't recall.

11 Q. At BeneFirst are there occasions in
12 which that account is in BeneFirst's name
13 and sometimes it's in the client's name?

14 Is it joint names, is it neither, if you
15 know?

16 A. You know, it was -- I don't recall.
17 I think it was every client had a different
18 setup. It really was based upon how the
19 client wanted it set up.

20 Q. So in this case, there was an
21 account. You don't remember whose name was
22 on the account?

23 A. That's correct.

24 Q. And from that account the claims were

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1 then paid?

2 A. Yes.

3 Q. And what was the process for paying
4 those claims, how did that happen?

5 A. I guess I'm kind of confused by
6 your --

7 Q. I'm pretty sure you didn't sit down
8 and write the checks, right?

9 A. Right.

10 Q. Was it automated?

11 A. Oh, everything was automated, yes.

12 Q. And so somebody at BeneFirst would
13 key in a payee and then amount and a check
14 would then be cut from that account?

15 That's what I'm trying to understand, the
16 process of paying the doctors.

17 A. It was very, very automated where the
18 Claims Examiner would get a claim in the
19 door, adjudicate the claim, it would be put
20 in the list, the line of claims to be paid.

21 At the end of that period when
22 we needed to get them the Check Edit Report
23 they would FAX it over, say we processed
24 \$20,000 worth of claims for this you week,

1 this month, whatever; fund your account.
 2 They would say, Okay, our
 3 account is funded; go ahead and release the
 4 checks.

5 We would send a file to ABF,
 6 ABF was the name of the company. And all
 7 they did was print the checks, stuff them
 8 in an envelope and mail them out the door.

9 We never touched a check. We
 10 never had any checks docked in our office
 11 and we never mailed any of them.

12 Q. ABF was a company that BeneFirst
 13 contracted with for this service?

14 A. Yes.

15 Q. ABF had no direction relationship
 16 with Aubuchon, correct?

17 A. No.

18 Q. How was ABF paid?

19 A. Per check I believe.

20 MR. BRODIE: I'm sorry, just so
 21 we have a clean record, you said no to the
 22 question there is no relationship between
 23 ABF and Aubuchon. I think the answer is
 24 yes, there's no relationship. It was a

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1 negative question.

2 THE WITNESS: Okay. I'm sorry.

3 A. There is no relationship between ABF
 4 and Aubuchon, no.

5 MR. BRODIE: No, there is not?

6 A. No, there is no relationship.

7 Aubuchon wouldn't even know who ABF is.

8 Q. Because you never told Aubuchon that
 9 that's how you were paying the bills?

10 A. Right, yes.

11 Q. And as far as Aubuchon knew,
 12 BeneFirst was doing it directly?

13 A. Yes.

14 Q. What type of quality control did you
 15 have in place to be sure that ABF was doing
 16 their job accurately?

17 A. ABF -- well, when we started the
 18 relationship with ABF it was through our
 19 relationship with Trizetto and RIMS, where
 20 they were actually the ones doing the
 21 processing.

22 I don't recall exactly what the
 23 Quality Control was for ABF, but a lot of
 24 it was handled through Trizetto. ABF was a

1 preferred vendor of Trizetto.

2 Q. Did your relationship, BeneFirst's
 3 relationship with ABF precede your
 4 relationship with Aubuchon?

5 A. I believe, yes.

6 Q. Was ABF a party you used for other
 7 clients or just Aubuchon?

8 A. On, every one, every one.

9 Q. So they were cutting the checks for
 10 all of your clients?

11 A. Yes, we never touched a check, we
 12 never mailed a check. It was all done
 13 out-sourced.

14 Q. And again, was there some type of
 15 monthly report that you would then get back
 16 from ABF showing what they had done?

17 A. Oh, yes, we would get a file that we
 18 would download off the system, store on our
 19 server, and show exactly what claims-- we'd
 20 get a picture of the claim, of the check
 21 that went out and store that on our server
 22 I believe.

23 Q. And who, if anybody, at BeneFirst was
 24 doing this kind of check review to make

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1 sure that the right amounts were being
 2 paid?

3 A. Paul Gatanti. And then on the other
 4 side would have been someone in the Billing
 5 Department. I cannot recall their name.

6 Q. I don't think I went through this
 7 with you at that first deposition, so let
 8 me just ask you a couple questions about
 9 your experience pre-BeneFirst. When did
 10 you start BeneFirst?

11 A. August of '99.

12 Q. And what were you doing just before
 13 that?

14 A. I was working for Health Plans, Inc.

15 Q. And what did they do?

16 A. They were a TPA also.

17 Q. What did you do for Health Plans?

18 A. I was in sales for them. I think you
 19 did ask me that.

20 Q. I'm sorry if I did. Did you know
 21 Paul Gatanti then?

22 A. No, I did not, no. Our paths just
 23 missed each other.

24 Q. How long were you with Health Plans?

1 A. Oh, I think about six or seven years.

2 Q. What was your first position with
3 them?

A. Sales the whole time.

5 Q. What did you do before Health Plans,
6 Inc.?

7 A. I worked for Penn General Service
8 Corporation.

9 Q. And what did they do?

10 A. They were a TPA

11 Q. And what did you do for Penn?

12 A. Sales.

13 Q. What did you do before that company?

14 A. I worked for Excess Health, which is
15 a stop loss insurance carrier.

16 Q. And again, what did you do for them?

17 A. Sales.

18 Q. Before that, Excess Health?

19 A. It was New York Life.

20 Q. Sales position?

21 A. Yes.

22 Q. And before that?

23 A. School.

Q. Where was school?

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1 A. Boston College.

2 Q. When did you get out of BC?

3 A. '86.

4 Q. Have you ever functioned
5 professionally as a claims adjustor?

6 A. No.

7 Q. Or claims examiner?

8 A. No.

9 Q. Have you ever had any training in
10 that area?

11 A. Nope.

12 Q. Did you have any supervisory
13 responsibility for any examiners in any of
14 your jobs pre-BeneFirst?

15 A. No.

16 Q. Did you take on any of that
17 responsibility at BeneFirst?

18 A. I supervised the supervisor. They
19 always had someone that oversaw the claims
20 examiner.

21 Q. Before Mr. Gatanti who was that?

22 A. I think her name was Barbara. I
23 can't remember her last name. And then
24 prior to that it was done in-house at

1 Trizetto.

2 Q. I just want to spend a couple minutes
3 on that. Let me just make sure I have my
4 chronology right. Trizetto, to my
5 understanding, had a product call RIMS?

6 A. Yes.

7 Q. And there was a time in which
8 BeneFirst contracted with Trizetto to do
9 the claims examination for them?

10 A. Right.

11 Q. So you basically out-sourced all the
12 claims examination?

13 A. That's correct.

14 Q. And is that how you started the
15 company in '99?

16 A. Yes.

17 Q. Were you familiar with Trizetto at
18 Health Plans?

19 A. No, because at the time I don't think
20 Trizetto existed.

21 Q. So this was a new relationship for
22 you professionally?

23 A. Okay, just from a chronology, when
24 you say Trizetto, at the time it was RIMS.

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1 Trizetto came along later on.

2 So to answer your question,
3 RIMS was the name known in the industry
4 back in '99, and not Trizetto.

5 Q. So 1999 when you formed BeneFirst you
6 contracted with RIMS to do the claims
7 examination and adjudication?

8 A. Right.

9 Q. And so you have didn't have then any
10 on-staff claims examiners?

11 A. Correct.

12 Q. At some point in time you terminated
13 that relationship and brought the claims
14 examination in-house?

15 A. That's right.

16 Q. When did that occur?

17 A. I want to say -- I want to say
18 September of '01.

19 Q. Do you recall first meeting the folks
20 from Aubuchon?

21 A. I don't recall the first meeting.

22 Q. Who was the salesperson responsible
23 for bringing Aubuchon into BeneFirst?

24 A. Paul Sullivan.

1 Q. And did you understand that Mr.
2 Sullivan had a prior relationship with the
3 Aubuchon folks?

A. Yes.

5 Q. And that was a relationship that
6 arose out of their prior TPA?

7 A. Yes.

8 Q. And Mr. Sullivan, was he a member of
9 the LLC at that time?

10 A. What time?

11 Q. When he brought in Aubuchon.

12 A. Yes.

13 Q. Did he form BeneFirst with you?

14 A. He was there at the beginning.

15 Q. Who was there at the beginning?

16 A. It was really just myself. And Paul
17 came on a month or so later, so --

18 Q. And did Maureen FitzGerald join you
19 shortly after that time?

20 A. No, no, no. She did not join us
21 until -- you see, I can't even recall when
22 she joined us.

23 Like, for instance, this
meeting that we're talking about, this

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1 October surprise meeting we will call it, I
2 can't remember whether Maureen was an
3 employee of BeneFirst at that time or
4 whether she was acting as a
5 broker/consultant for Aubuchon, because she
6 had all of those types of roles there,
7 so --

8 Q. So Mr. Sullivan had the relationship
9 with Aubuchon, correct?

10 A. Yes.

11 Q. Do you recall when the relationship
12 with Aubuchon started, the month or year?

13 A. I think it was July '01.

14 Q. My understanding is that when
15 BeneFirst was first attempting to get
16 Aubuchon as a client BeneFirst still had a
17 relationship with RIMS and/or Trizetto at
18 that time?

19 A. Yes.

20 Q. And I don't know if you were present
21 or not, but do you recall a meeting at
22 which folks from BeneFirst and Aubuchon
23 actually went out to RIMS and Trizetto?
24 And I believe it was in Chicago.

1 A. Yes. I knew that meeting took place.

2 To be honest with you, I don't remember if
3 I was there at that time for that meeting.

4 Q. But whether you were physically there
5 at that meeting or not, you'd agree with me
6 that initially BeneFirst was telling

7 Aubuchon that the claims examination
8 adjudication process was out-sourced to
9 Trizetto?

10 A. Right, correct.

11 Q. And that was the plan at that time?

12 A. Right.

13 Q. At BeneFirst, right?

14 A. Right.

15 Q. And you believe within several months
16 after that time period BeneFirst brought it
17 in-house?

18 A. That's correct.

19 Q. Did you, personally I'm asking you
20 this as Charles Dobens, did you have any
21 discussion with anybody at Aubuchon about
22 that change in process?

23 A. You know, that -- I believe I did. I
24 believe I spoke to Marcus Moran about that,

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1 which makes me kind of, you know, remember
2 the chronology of events for the
3 termination of Chicago and bringing it
4 in-house to Marshfield as being in
5 September of that year that we took
6 Aubuchon on.

7 So I had to kind of go explain
8 to Marcus, I know you went and saw them,
9 they told you a great story. We've decided
10 to bring everything in-house.

11 We're still using their system,
12 it's a great system, but now we've grown to
13 a certain level that it makes more sense
14 for us economically to bring everything
15 in-house and adjudicate the claims from
16 Marshfield.

17 Q. At this time prior to bringing it
18 in-house you had no claims examiners on
19 staff though, right?

20 A. That's correct.

21 Q. So who was responsible for going out
22 and hiring the claims examiners?

23 A. It was Denise Lynch and myself.

24 Q. Who was Denise Lynch?

1 A. She was really the first employee.

2 She was the client service rep/account
3 manager type of position.

Q. Was she a claims examiner by
5 training?

6 A. She had, yes, she was.

7 Q. Do you know for who?

8 A. G.I.C.

9 Q. So Denise is somebody that would have
10 been known to Aubuchon?

11 A. No, no.

12 Q. Okay. And who was the first claims
13 examiner you hired?

14 A. All right. Let me just go back. She
15 would have been known to Aubuchon.

16 Q. Do you know if Aubuchon knew Denise
17 Lynch before they became a client of
18 BeneFirst?

19 A. No, I don't believe they did.

20 Q. So my next question was who was the
21 first claims examiner you had?

22 A. I tell you, I can't remember. I
23 really don't remember.

Q. What did you do to qualify them as

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1 candidates and employees?

2 A. Really a lot of it had to do with
3 references, their understanding of RIMS,
4 giving them some sample claims to process
5 on the system and see how they did doing
6 that. Those are typically the things.

7 In that particular geographical
8 area, there were a lot of claims examiners,
9 a lot of TPA's, and a lot of people on the
10 RIMS system.

11 And if you had been working on
12 another vendors paying TPA you probably had
13 the knowledge we needed and the expertise
14 to come over and pay claims off of our
15 system.

16 Q. You said geographic area, the South
17 Shore?

18 A. Yes. TPA capital of the world.

Q. Why is that?

19 A. Because two guys, Gerry Anderson and
20 Herb Hokinson started GIC back in 1975.

21 And from that one TPA grew
22 about five or six other TPA's.

24 Q. Plus it's a nice place to live.

1 A. Yah, I don't mind it. That was a

2 good thing to come out of it.

3 Q. Was Aubuchon your largest client in
4 terms of employees at that time in 2001?

5 A. Yes, I believe it was.

6 Q. Before you started BeneFirst did you
7 have some concerns about your ability to
8 transfer all of this work from a large
9 employer like Aubuchon directly in-house?

10 A. No, I had full confidence in the
11 systems that we had in place and we had --
12 everyone in there had enough experience to
13 be able to do something like that.

14 Q. Who built the Aubuchon plan at
15 BeneFirst?

16 A. Built it -- I don't recall. Barbara
17 Cope I think was her last name.

18 Q. What was her position?

19 A. She was our Claims Manager/Claims
20 Supervisor.

21 Q. Do you know where she is today?

22 A. No idea.

23 Q. And what happened to her employment
24 relationship?

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1 A. She was terminated.

2 Q. And when was that?

3 A. I don't remember.

4 Q. Why?

5 A. Why don't I remember?

6 Q. Why was she terminated?

7 A. She was a very sloppy worker I guess
8 is the best way to describe it.

9 Q. Who terminated her?

10 A. I think Denise Lynch terminated her.

11 Q. Have you ever reviewed the Aubuchon
12 Medical Plan?

13 A. Yes.

14 Q. As part of the case or during the
15 relationship?

16 A. Do you mean that book right over
17 there essentially?

18 Q. Yes.

19 A. Oh, as part of the relationship.

20 Actually I was there at the law firm up in
21 Portland when they were designing the plan.

22 Q. Do you recall the law firm of Verril
23 & Dana being involved?

24 A. Yes.

1 Q. I just want to talk a little bit
2 about the development of the medical plan.

3 A. Okay.

Q. What role did BeneFirst have in that?

5 A. I guess it could be called an
6 advisory role. We just kind of sat in the
7 meetings, and you know, listened to what
8 they were trying to do.

9 I mean their old plan document
10 was atrocious and just needed to be totally
11 thrown out and started all over again.

12 They hired this firm up in
13 Portland. She drafted a beautiful
14 document, it's a very nice, well-done
15 document.

16 Q. Had you worked with Verril & Dana
17 before?

18 A. No, never.

19 Q. When you took on any new client at
20 BeneFirst did there always have to be a
21 rewrite of the medical plan?

22 A. No. And typically we wouldn't do
23 that.

Q. Had you gone through a process like

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1 the one you did with Aubuchon with any
2 other clients before?

3 A. I would venture to say no.

4 Q. And at the time I meant.

5 A. No.

6 Q. So it was the first time you had gone
7 through the restructuring of a medical
8 insurance plan?

9 A. To that extent, yes.

10 Q. And who else at BeneFirst was
11 involved in these initial meetings and
12 discussions about building the medical plan
13 other than you?

14 A. I'm thinking that Paul Sullivan was
15 in the meeting.

16 Q. Did you have comments and suggestions
17 on some of the provisions and language?

18 A. Yes, I think we advised and discussed
19 from a claims processing standpoint how
20 some things should be worded in the plan
21 document.

22 But it was strictly for a
23 systems procedure so that if a claim came
24 in we could process that claim easily

1 without having to think about it and it
2 goes right out the door.

3 They had a provision in their
4 old document that required, it enabled-- it
5 required the claims examiner to think too
6 much.

7 Q. The way Mr. Gatanti explained it
8 yesterday was that the Medical Summary Plan
9 Descriptions are really the, I think you'd
10 use the term "the Bible" that the claims
11 examiner would utilize in determining
12 whether to approve, reject or further
13 investigate a claim. Do you agree with
14 that?

15 A. Let me just see if I can rephrase
16 what you said.

17 Q. Sure.

18 A. The plan document is the Bible. The
19 Summary Plan Description doesn't
20 necessarily include everything that a Plan
21 Document does, but in that particular case
22 they used the plan document as the Summary
23 Plan Description.

24 So in their case, that Summary

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1 Plan Description is also the plan document
2 and it is used as like the Bible.

3 Q. So that's why it was important for
4 the people at BeneFirst to be familiar with
5 it?

6 A. Yes.

7 Q. And you recall, we'll get into the
8 actual document in a little bit, but the
9 document has references to BeneFirst within
10 the document, does it not?

11 A. Yes, it does.

12 Q. At the time the plan document was
13 prepared it was already agreed to that
14 BeneFirst was going to be the third-party
15 administrator?

16 A. I believe so, yes.

17 Q. Were you involved in the negotiations
18 over the contractual relationship between
19 BeneFirst and Aubuchon?

20 A. Very little, if at all. I really
21 didn't -- I mean it was Paul Sullivan that
22 would handle all that.

23 Q. And he had the authority on behalf of
24 BeneFirst to negotiate those terms?

1 A. Yes.

2 Q. And was it BeneFirst's practice to
3 execute written agreements with its
4 clients?

5 A. Yes.

6 Q. Did you have just oral agreements or
7 were they all reduced to writing?

8 A. No, it was all in writing.

9 Q. And did you have a standard form
10 document that you used?

11 A. Sorry?

12 Q. A standard form contract that
13 BeneFirst used.

14 A. For?

15 Q. For its engagements with its clients.

16 A. Yes.

17 Q. Do you know prepared that?

18 A. I think I prepared it early on and it
19 became our standard form.

20 Q. Do you recall that actually for
21 Aubuchon there were actually two plans,
22 one for the distribution center and one for
23 the hardware chain?

A. Yes.

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1 Q. And BeneFirst was to be the TPA for
2 both plans?

3 A. Yes.

4 Q. And do you have a memory at one point
5 the distribution company's plan went away?

6 A. Yes.

7 Q. And do you recall why?

8 A. It was a Union issue. They went with
9 the Union plan. I don't think we could
10 touch the numbers.

11 Q. So they stopped providing the plan,
12 and therefore the TPA contract ended?

13 A. Right.

14 Q. And I'm sure you know this, that
15 nobody has been able to put their hand on a
16 signed TPA Agreement, are you aware of
17 that?

18 A. Probably, yes. Through the
19 discussions I've heard that, yes.

20 MR. BRODIE: Excuse me, off the
21 record.

22 (Discussion off the record)

23 Q. We haven't been able to find a signed
24 agreement. You would believe based upon

1 your memory and your experience that at one
2 point in time there was a signed agreement
3 with Aubuchon, is that correct?

4 A. Yes.

5 Q. You would find it highly unlikely
6 that this relationship would have gone on
7 for several years without a signed
8 agreement?

9 A. Based upon the relationships
10 involved, you know, I don't -- I wouldn't
11 say that. I think, you know, these guys
12 would operate on a handshake, Paul Sullivan
13 and Marcus Moran and that crew.

14 It doesn't mean that we would
15 at BeneFirst. But I mean that was our
16 contract and that's what we provided
17 services based upon.

18 Q. So let me say it to you another way.
19 As the representative of BeneFirst, frankly
20 the only party that can represent BeneFirst
21 here today, if somebody asked you what were
22 terms of the relationship between BeneFirst
23 and Aubuchon, you would look at that
24 written contract whether it was signed or

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1 not, is that fair to say?

2 A. That's correct.

3 Q. Stated another way, BeneFirst didn't
4 have any oral terms of an agreement with
5 Aubuchon different than the written
6 document?

7 A. Not to my knowledge.

8 Q. Do you recall in 2005, so after the
9 termination, and I think while you guys
10 were probably doing the run-out, several
11 requests coming from Aubuchon looking for a
12 copy of the signed agreement?

13 A. I don't recall.

14 Q. I'm going to show you a letter dated
15 August 2, 2005 that purports, at least it
16 says on its face, that it is from you to a
17 lawyer named Charlie Gelinis. I'm just
18 going to ask if you sent that letter and
19 you recall it.

20 A. (Reading document)

21 MR. BRODIE: Off the record for
22 a second.

23 (Discussion off the record)

24 Q. My question is do you recall sending

1 that letter?

2 A. I don't recall sending this letter,
3 no. And I have issues with this letter.
4 I'd like to -- if you had an original,
5 there's just certain things in here that
6 just kind of send up a red flag to me.

7 Q. Like what?

8 A. No signature. This first Duke,
9 Mrs.-- I mean it it's scanning, I mean we
10 have done scanning before, and I know Eric
11 said that scanning can do these things.

12 I just see so many things in
13 here -- when I was looking at this, you
14 know, a typo in the first section of
15 Section 1 of the contract.

16 I'm just -- I mean these are
17 just some of the things that I look at, and
18 I think, Jesus, this doesn't look right.

19 I mean it did essentially
20 inform, it's a similar-looking document to
21 our Administrative Services Agreement.

22 And this is-- you know, this
23 was a DC, so this didn't last very long.
So maybe this is a subsequent -- revisions

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1 of the A.S.A. would look differently.

2 But I don't remember writing
3 this letter. So --

4 But I mean this does looks like
5 our A.S.A. with a few things in here that I
6 have issues with so --

7 Q. Let's take them one step at a time.

8 MR. CIAVARRA: First of all,
9 let's mark this so we know what we're
10 talking about, as Exhibit 4.

11 (Exhibit 4, Letter to Atty.
12 Gelinas 8/2/05 with
13 Administrative Services
14 Agreement, marked)

15 Q. So my first question to you is, (1),
16 do you deny sending that letter?

17 MR. BRODIE: I guess I would
18 object. "That letter," meaning, is the
question here is this an accurate copy of
whatever was sent?

21 MR. CIAVARRA: I can break it
22 down in many ways.

23 Q. So my first question is, that
24 document in that form, do you deny sending

1 that?

2 A. Yes.

3 Q. Okay. Then we'll take it piece by
4 piece.

5 A. Okay.

6 Q. Do you deny sending a letter on or
7 about August 2, 2005 to Attorney Charlie
8 Gelinas attaching a copy of an A.S.A.?

9 A. Can I neither admit nor deny just
10 because I just don't recall?

11 Q. Do you recall ever receiving a
12 request from Attorney Gelinas for such a
13 document?

14 A. I believe I did.

15 Q. Did you ever send him a copy of the
16 A.S.A. you had on file?

17 A. If he had asked for one, I would have
18 done that.

19 Q. Okay. And what you can't tell us
20 today is whether or not that's actually the
21 letter and actually the document you sent,
22 is that fair to say?

23 A. That's correct.

24 Q. Okay. Now I'd like you to just turn

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1 to the actual agreement that's attached to
2 it. If you turn that to the first page.

3 A. Hold on one second. Do you have a
4 copy of his letter dated July 19?

5 MR. BRODIE: I'll look.

6 Q. We will just keep going. I'll come
7 back to it.

8 A. Okay.

9 Q. So turn to the agreement. Now during
10 the course of Sarah Arel's deposition your
11 attorney marked a document which he
12 indicated was an A.S.A. which they were
13 able to locate.

14 Let me show you that document.
15 It was marked as Exhibit 7 during the
16 deposition of Sarah Arel.

17 MR. BRODIE: I'll object to the
18 characterizat on of what representations
19 were made.

20 MR. CIAVARRA: Did I
21 mischaracterize it?

22 MR. BRODIE: I know we marked
23 it, but I don't know if we represented this
24 was anything more than what it was.

1 MR. CIAVARRA: I'll represent
2 for the record, you correct me if I'm wrong
3 here, that you guys have not produced any
4 other version of an A.S.A. Can we agree on
5 that?

6 MR. BRODIE: Maybe we should go
7 off the record on this.

8 MR. CIAVARRA: Sure.

9 (Discussion off the record)

10 MR. CIAVARRA: Back on the
11 record. I think we can agree, Counsel can
12 agree that the version of the A.S.A. that
13 I've put in front of the witness, Exhibit 7
14 to the deposition of Sarah Arel, is the
15 only A.S.A. that we have been able to find
16 that has Aubuchon's name on it. That's
17 correct, isn't it?

18 MR. BRODIE: "We" meaning?

19 MR. CIAVARRA: That anybody.

20 MR. BRODIE: Any party?

21 MR. CIAVARRA: That anybody has
22 produced in this case.

23 MR. BRODIE: I can agree to
24 that.

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1 Q. So my question to you is, let's go
2 back to the witness now.

3 A. Keep it up, boy.

4 Q. Are you aware of any other agreement
5 other than the one that's been put in front
6 of you, either as attached to Exhibit 4 or
7 as in reference in Exhibit 7 to the Sarah
8 Arel deposition, between Aubuchon or
9 Aubuchon Distribution and BeneFirst?

10 A. Yes, there would have been another
11 document. Maybe two other ones.

12 Q. Do you have any memory, actual memory
13 of the terms of that written document being
14 in any way different than the exhibits put
15 in front of you now?

16 A. Yes.

17 Q. And what is your memory?

18 A. Well, the one for the hardware store
19 would not have said Distribution Center.
20 So that would have been another agreement.

21 Q. Right.

22 A. And then, which was brought to my
23 attention, which was Section 6, Performance
24 Standards.

1 In the early Administrative
2 Service Agreements that we used we had
3 built in Performance Standards into the
4 Administrative Services Agreement. These
5 were the same Performance Standards that we
6 received from RIMS when they were
7 processing the claims. So we provided
8 those same standards to our clients.

9 As time went on and the HIPPA
10 laws came about, to be compliant with
11 HIPPA, these Performance Standards really
12 became null and void.

13 Essentially, if we lived up to
14 them, we would be violating HIPPA, meaning
15 because HIPPA was more stringent than what
16 our Performance Standards were.

17 So we just took them out.

18 So in subsequent A.S.A.'s you
19 would not see that Performance Standards
20 section. That's the most blaring one that
21 I see.

22 Q. And you believe it's in Section?

23 A. Section 6, page 5. The whole
24 section.

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1 Q. Exhibit 7 to Sarah Arel's deposition
2 in 6(b), it still has Performance
3 Standards, does it not? Does your copy
4 have that as well?

5 A. This one does, yes.

6 Q. Okay. And this document has a date
7 on it of August 2, 2005?

8 A. Yes, that would have been when it was
9 printed off.

10 Q. Okay. Because again, this is for the
11 Distribution Center, which we know ended
12 several years earlier.

13 A. Right, right.

14 Q. I guess what I'm trying to understand
15 is the Performance Standards that are set
16 forth in the two documents that we are
17 looking at in 6(b), you're telling me that
18 these were in the document in its initial
19 form or in its later form?

20 A. In its initial form.

21 Q. And do you know when they were
22 removed?

23 A. I do not know when they were removed.

24 Q. So there was a time in which these

1 Performance Standards were in place in the
2 relationship between BeneFirst and the two
3 Aubuchon companies?
4 A. Yes, correct.
5 Q. And you believe at some point if
6 another document were signed, that it would
7 eliminate that language?
8 A. Yes.
9 Q. And again, do you know whether or not
10 new agreements were signed every year?
11 A. They -- we wanted them signed every
12 year. They did not need to be signed
13 every year. There's no termination date on
14 the A.S.A.
15 And Paul and Maureen weren't
16 necessarily always stringent in getting
17 things signed.
18 Q. Okay. We had started talking a
19 little bit about the plan built for
20 Aubuchon, which you told me was Barbara
21 Cope was the person who was initially
22 involved in doing that?
23 A. Initially, yes. No, actually, I take
24 that back. If this plan came over from

1 Trizetto, Trizetto would have done the plan
2 build.
3 Q. What makes you think the plan came
4 from Trizetto?
5 A. It doesn't come from Trizetto. What
6 I mean is that when we took it over, took
7 it away from them, Aubuchon was already a
8 client. We were already processing claims
9 on Aubuchon's plan. And that was in July.
10 And we were still with Trizetto and they
11 were doing all the plan billing out in
12 Chicago.
13 Q. I guess what I want to know is, is
14 that your memory of how the plan was built
15 or are you working your way through it
16 logically?
17 A. Oh, well, I know that we would not--
18 under those circumstances at that timeframe
19 no one was in our office to be able to bill
20 the plan.
21 So logically, yah, I mean I
22 can't say that Barbara Cope did it
23 because --
24 Q. So your best memory is that whatever

1 program was necessary for the computer
2 system to be able to work and to do the
3 claims examination was built by Trizetto?
4 A. Correct.
5 Q. And then when you brought the claims
6 examination in-house did you enter some
7 type of a license agreement with Trizetto?
8 A. Yes.
9 Q. And for that you got access to their
10 software?
11 A. Yes.
12 Q. And also all of the plan build
13 documents?
14 A. Yes.
15 Q. So that after that transaction you
16 were able to do in-house what Trizetto was
17 doing in Chicago?
18 A. Correct.
19 Q. What training, if any, did your
20 claims examiners get from Trizetto when you
21 hired them?
22 A. We had a staff of three people come
23 in from Chicago. And before they would
24 allow us to take over the system, we had to

1 buy their training program. It was like
2 \$16,000.
3 And we had three people come in
4 for a week and just go through a whole
5 entire training program for all of our
6 staff on how to do every aspect of the
7 system.
8 Q. All right. Turning your attention to
9 the agreement referenced on Exhibit 4.
10 Okay?
11 This Administrative Services
12 Agreement is a form that was created by you
13 and by BeneFirst?
14 A. Yes.
15 Q. And there would be whatever changes
16 done on a per client basis made within the
17 document?
18 A. Yes.
19 Q. Let me ask you in the years that you
20 worked in this field did you become
21 familiar with a concept of a fiduciary
22 within health care plans?
23 A. Yes.
24 Q. And what's your understanding about

1 what is a fiduciary?

2 A. Well, I mean the way we always talked
3 about it, you have a big F and little F
4 fiduciary.

5 And the big F was really the
6 plan sponsor, the one who was in charge of
7 everything. They're the ones that had to
8 follow the ERISA guidelines and the ERISA
9 laws. That's their responsibility.

10 We were a claims administrator
11 or benefits administrator. We were nothing
12 more than a vendor to a plan sponsor or a
13 fiduciary of a plan.

14 We did not have discretion over
15 the plan, we couldn't make decisions as to
16 what benefits were provided to people.

17 We just had to follow that
18 Bible, that plan document, and make sure
19 that we paid claims accordingly.

20 Q. So that would be a little F?

21 A. That would be a little F, yes.

22 Q. And the little F standing for
23 fiduciary?

A. Yes.

1 Q. When you were operating BeneFirst did
2 you consider that you had a fiduciary duty
3 to the plan?

4 A. We had, as a provider of services to
5 a client, a fiduciary responsibility to
6 that client. We did not have a fiduciary
7 role to the plan.

8 Q. And who was the client?

9 A. The Plan Administrator.

10 Q. The reason I said that, I'm looking
11 at the document that you guys prepared and
12 it identifies BeneFirst as the plan
13 administrator, does it not?

14 A. Yes, it does. But in subsequent
15 documents we changed that to Claims
16 Administrator.

17 But for all intents and
18 purposes, if you look at the definition of
19 what we performed for them, it was the same
20 thing as a Claims Administrator.

21 If you look at the plan
22 document, I think one of the reasons why we
23 changed that was because I believe the plan
24 document for Aubuchon said use both plan

1 sponsor and plan administrator, meaning
2 Aubuchon, and not BeneFirst.

3 Q. As I look at the Plan Document and
4 identify it, and we can agree or disagree
5 with this, the plan administrator is
6 Aubuchon, for example, on the Aubuchon
7 plan, but then said that all the
8 responsibilities and duties of plan
9 administrator would be contracted with
10 BeneFirst. Is that how you read it?

11 MR. BRODIE: Objection.

12 A. Yes.

13 Q. And that certainly was the intention?

14 A. Right, that's how they, right, that's
15 how everyone understood it.

16 But as I said, just by your
17 description, it was an out-sourced service
18 to a third party, but they would never pass
19 on that fiduciary role by doing that to us.
20 We would have never accepted it.

21 Q. You're not suggesting there was any
22 discussion about that, are you, or are you?

23 A. Well, I think we always had to bring
24 it back to the clients to say, Hey, guys,

1 it's your plan. You tell us how you want
2 to administer it.

3 You know, those, we would get
4 questions from Marcus all the time as to
5 Hey, can I do this, can I do that.

6 And we'd always advise him,
7 like, we'll do whatever you want, you're in
8 charge of the plan. But I mean we have to
9 go by what the plan document says.

10 Q. You knew Aubuchon was not, there was
11 nobody at Aubuchon trained in claims
12 administration, was there?

13 A. No, not that I am aware of.

14 Q. You knew that they were relying on
15 BeneFirst to do that?

16 A. For claims processing.

17 MR. BRODIE: Note my objection.

18 Q. Claims processing?

19 A. Yes.

20 Q. You knew that they were relying on
21 BeneFirst to do the claims adjudication?

22 A. Exactly, yes.

23 Q. And to the extent there were
24 decisions that had to be made in connection

1 with that adjudication, they were
2 depending on BeneFirst to make those
3 decisions?

MR. BRODIE: Objection.

4 A. When you say decisions, I just want
5 to make sure we are on the same page here.

6 I mean there are tens of
7 thousands of decisions that are made on a
8 monthly basis when adjudicating claims for
9 the size of a company of Aubuchon.

10 I mean those decisions are just
11 simple snap-snap, you know, a lot of times
12 a computer is the one that makes that
13 decision and that's it.

14 Things outside of the system
15 are decisions that we would never have
16 made. We would always have asked for
17 permission from the client or given advice
18 to the client and wait for their response.

19 We would never have adjudicated
20 claims outside of the terms of the plan
21 document without the permission of the
22 client.

23 Q. But whether or not something was

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1 within or without the plan document, it's
2 something that a claims examiner would have
3 to consider on a daily basis, isn't that
4 true?

5 A. Yes, absolutely.

6 Q. And they would, you're not
7 suggesting, are you, that on a daily basis
8 your claims examiners were calling somebody
9 at Aubuchon and asking Aubuchon, somebody
10 at Aubuchon, whether something was within
11 or out of the document?

12 A. On a daily basis, no, I wouldn't say
13 it's on a daily basis.

14 Q. But on a daily basis the claims
15 examiners were making those decisions of
16 whether or not a particular claim fell
17 within or without the plan?

18 A. Within or without, outside of the
19 parameters of the plan that the fiduciary
20 had given to us to adjudicate based on.

21 Q. And who was relying on you to
22 adjudicate?

23 A. Exactly.

24 Q. Can you think of any instance as you

1 sit here today where Aubuchon asked you for
2 advice in connection with something on the
3 plan and BeneFirst provided that advice and
4 Aubuchon didn't follow it?

5 MR. BRODIE: Note my objection.

6 A. You know, it's been so long. I can
7 think of one that comes to mind that Marcus
8 wanted to do. The story was that he wanted
9 to pay for Gerry Archambeault's handicapped
10 van through the plan.

11 And you know, that was the type
12 of request we would get from Marcus. I
13 mean there was a lot of other exceptions,
14 too, that we had to make for Aubuchon as
15 well.

16 And you know, we would always
17 say that we'll do whatever you want, but
18 it's not going to be covered by the plan,
19 I mean it's not going to be covered by the
20 stop loss carrier. And they knew it. You
21 know, they were very interactive in their
22 plan.

23 Q. So I'm going to talk about, my
24 question to you is was there a situation in

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1 which BeneFirst provided advice concerning
2 the plan to Aubuchon and Aubuchon didn't
3 follow it.

4 Is it your testimony that
5 somebody at BeneFirst told Aubuchon that
6 this handicapped van was not covered by the
7 terms of the plan?

8 A. Yes.

9 Q. And who did that, if you know?

10 A. I don't know, but it's not, it
11 wouldn't have come down the way you've just
12 described it. It wouldn't have been
13 presented as a claim.

14 It would have been presented to
15 us by Marcus or Sarah saying, "Hey, Gerry
16 needs a handicapped van. Marcus really
17 wants to do it for him. Can we pay it
18 through the system?"

19 I mean that's an extreme
20 example that I always remember as the type
21 of employer that Marcus was.

22 There were other cases. I
23 can't recall, I'm sure if we started going
24 through names and stuff, I'd start

1 recalling some of the situations,
2 individual situations.

3 Q. But I think we are mixing up
situations. What I hear you describing to
4 me is something that Paul Gatanti talked
5 about, which is the payment of benefits
6 outside of the loss, the aggregate loss?

7 A. The stop loss contract?

8 Q. Right.

9 A. Yes.

10 Q. Because ultimately all this money in
11 the plan is Aubuchon's money?

12 A. Yes.

13 Q. It's a self-funded plan?

14 A. Right.

15 Q. And the only issue becomes whether or
16 not it's going to be utilized to trigger
17 the excess coverage, right?

18 MR. BRODIE: Objection. You
19 can answer.

20 Q. In terms of whether or not a claim
21 gets paid or not?

22 A. Right, okay.

23 Q. So what Paul described, Paul Gatanti

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1 described was that from time to time there
2 would be benefits Aubuchon wanted to
3 provide to its employees that would be paid
4 outside of the loss funds. Do you recall
5 that?

6 A. Oh, yah, yah.

7 Q. And that was okay because it wouldn't
8 capture it in a way that couldn't be used
9 to trigger the stop loss insurance, right?

10 A. Yes.

11 Q. And for example, this handicapped van
12 situation you're talking about would be one
13 such situation?

14 A. Exactly.

15 Q. And I hear those and I heard about
16 those yesterday. And what I'm asking is
17 something different than that.

18 Is there a situation in which
19 BeneFirst provided some advice with respect
20 to the plan with respect to whether
21 something was covered or not covered with
22 respect to administration of the plan, or
23 any function that BeneFirst was involved
24 in, that Aubuchon did not follow.

1 And I understand it was years
2 ago.

3 A. Yah, I can't recall specifically.

4 MR. BRODIE: I will just object
5 to the lack of foundation on that. I'm not
6 sure that that's been established.

7 Q. Okay. You understood that part of
8 the responsibilities of the claims examiner
9 was to take a look at the claims that came
10 across the desk and to determine whether or
11 not there might be other people responsible
12 to help pay for that claim?

13 A. Oh, yah, yah.

14 Q. And that might be other insurance?

15 A. Yes.

16 Q. It might be somebody who caused an
17 injury that there be a subrogation claim
18 against?

19 A. Yes.

20 Q. And you understood that your people,
21 your claims examiners, would have to make
22 that determination in the first instance?

23 A. Yes.

24 Q. And for example, that might require

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1 some investigation on their part, right?

2 A. Yes.

3 Q. Did you believe that your people in
4 2004, your claims examiners, had sufficient
5 training in order to make those decisions?

6 A. Yes.

7 Q. Now those decisions of whether or not
8 to investigate co-insurance or to
9 investigate maybe a third-party who caused
10 the injury, there's nothing in the plan
11 that tells you how to do that, is there?

12 A. How to do it?

13 Q. Or I should say whether and when to
14 do it.

15 MR. BRODIE: Note the
16 objection.

17 A. Yes, there's wording in the plan, I
18 believe, that would talk about those types
19 of things. I mean that's why we did it.

20 Q. Go ahead.

21 A. There are some plans that don't have
22 a coordination of benefits provision.

23 There are some plans that don't
24 have a subrogation provision.

1 So would we search for
2 subrogation? No. Why would we? The plan
3 doesn't require us to search out
subrogation.

5 So if we looked for those
6 things, the reason why we looked for them
7 was because the plan document required they
8 were investigated.

9 Q. Let me be more specific. The plan
10 would tell the claims examiners to look for
11 those things because they're covered in the
12 plan, whether there's a right to offset
13 because of co-insurance, reduction in
14 benefits, for whatever reason.

15 But the actual mental process
16 that the claims examiner would go through
17 to figure out who do I call, where do I
18 look, you know, what investigation do I
19 undertake, that's not described in the
20 plan. Would you agree with that?

21 A. That's correct.

22 Q. Did you have at BeneFirst any other
23 written materials or, you know, procedures
or guidelines for your claims examiners to

1 follow either in pursuing subrogation
2 claims or co-insurance?

3 A. Well, I believe that Paul Gatanti was
4 working on and created a policy manual for
5 the employees, for the claims examiners.

6 Q. Do you know if that ever got to the
7 point of being finished and used?

8 A. I don't believe it was. But I
9 believe that Paul trained everyone when
10 they came on board and to how he wanted
11 things done.

12 Q. There's, you may recall this from
13 your review of the initial audit that was
14 done for the excess carrier, that some of
15 the over-payments were attributed to
16 ineligible participants. Do you recall
17 seeing that?

18 A. I believe I saw that, yes.

19 Q. And questions of eligibility. When a
20 claims examiner receives a claim for any
21 particular individual, how would they know
22 whether or not that person is eligible for
23 coverage?

24 A. The claims examiner?

1 Q. Yes.

2 A. It would be noted in the system as to
3 whether that person, where that person
4 falls in the category, you know, eligible
5 or ineligible. So the system would tell
6 the claims examiner.

7 The claims examiner does not
8 have the ability to change eligibility.

9 Q. So they would plug in, I think Paul
10 said typically the Social Security Number
11 into the computer. Is that your
12 understanding?

13 A. Yes.

14 Q. And then that person's name and
15 profile would pop up if they were an
16 eligible person. Is that your
17 understanding?

18 A. Yes.

19 Q. And presumably if there was no
20 records of that person, then there would be
21 no claim process for that person?

22 A. Or no record, or if they had a
23 terminate date prior to the date of the
24 service in the claim, we wouldn't

1 adjudicate the claim.

2 Q. What was the responsibility of a
3 claims examiner when they would receive a
4 claim and there would be no records of a
5 person being an eligible participant?

6 A. The claim would be denied.

7 Q. They wouldn't check with somebody
8 else to find out if there's a pending
9 eligibility form?

10 A. No, because by the time a claim got
11 to an examiner, I mean that person should
12 be in the system somehow.

13 Q. In connection with administering the
14 Aubuchon plan, if BeneFirst authorized
15 payments for claims that it shouldn't have
16 that were not proper payments, they were
17 not covered claims, do you believe that
18 BeneFirst is responsible for that
19 financially back to Aubuchon?

20 MR. BRODIE: Objection.

21 A. No.

22 Q. Why not?

23 A. It's not our money. If it was paid
24 out incorrectly, typically a doctor's

1 office would send it back to us and it
2 would go back in as a refund to the plan.
3 You have to understand why the claim was
paid incorrectly.

5 We're not the insurance
6 company. We're just a record keeper for
7 the plan.

8 And with any plan you're always
9 going to have claims that were paid
10 incorrectly. Should we be responsible for
11 those financially? Absolutely not.

12 Q. So who should be responsible for
13 those inappropriate payments?

14 MR. BRODIE: Objection.

15 Q. Is it your position that the plan has
16 to absorb those costs?

17 A. No. The plan should not absorb those
18 costs. If a claim was paid incorrectly to
19 a provider --

20 Q. "If a claim was paid incorrectly?"
21 You said "claim." You meant a claim,
22 right?

23 A. The plan should not. I spoke
correctly. Initially I was talking about a

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1 plan.

2 Now I'm saying if a claim was
3 paid incorrectly, we just go back and get
4 the money back from the provider.

5 Q. Has BeneFirst done that on behalf of
6 Aubuchon for any of the claims that were
7 paid inappropriately?

8 A. Yes.

9 Q. Do you believe you've done it for all
10 claims that were paid incorrectly?

11 A. I don't believe that -- I believe
12 that the extent, from what I see from your
13 audits, to think that we paid that much out
14 incorrectly is -- I mean it just goes to
15 show you.

16 Doctors' offices do not keep
17 money that is not theirs. If they get an
18 over-payment or something was paid
19 incorrectly, they turn around and they send
20 it back.

21 I mean if they get audited by
22 Medicare or Medicaid, and they've got this
23 money on the books, they're in big trouble.

24 Doctors' offices do not collect

1 money and say "Yippie-yah-hoo, Aubuchon
2 paid more than what they were supposed to;"
3 they send the money back.

4 That's why on every one of
5 those Check Edits we sent to Aubuchon you
6 you can go back there and see refunds. It
7 happened every month.

8 When you're sending out that
9 many checks, you're going to pay some
10 things incorrectly. And you can go back
11 and look at the Check Edits form and see
12 that yes, every single month we got
13 refunds.

14 Now you're claiming that
15 there's so much more out there, millions of
16 dollars of claims paid incorrectly that
17 some doctor's offices are sitting on.

18 We didn't take the money. All
19 those claims were paid out to a provider.

20 They're not sitting on that
21 money thinking that they've got a windfall.
22 I mean that money would have come back and
23 would have been returned back to Aubuchon.

24 So you know, to think that it's

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1 our responsibility, yes, we can go out and
2 help find that money, but the money isn't
3 there. The money was paid correctly.

4 Q. Where would the money be refunded
5 back to if the money had been billed
6 incorrectly?

7 A. Back to BeneFirst.

8 Q. And after BeneFirst was terminated in
9 January of '05, what record-keeping --
10 January of '05 when Aubuchon terminated
11 BeneFirst--

12 A. Yes.

13 Q. When refunds would come in what did
14 BeneFirst do with those funds?

15 A. We would have deposited them either
16 into the Aubuchon if it was still active or
17 we would have just turned around and cut
18 them a check and sent it back to them.

19 Q. And who was responsible for doing
20 that?

21 A. Linda Hart and that woman whose name
22 I couldn't remember before.

23 Q. And how about after the runoff period
24 of time when the relationship was totally

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON)	
DISTRIBUTION, INC., W.E. AUBUCHON)	
CO. INC. EMPLOYEE MEDICAL	)	C.A. No. 05-40159FDS
BENEFIT PLAN, and AUBUCHON	)	(Louis M. Ciavarra BBO# 546481)
DISTRIBUTION, INC. EMPLOYEE	)	(James P. Hoban BBO #633929)
MEDICAL BENEFIT PLAN	)	(Colleen E. Cushing BBO# 663498)
Plaintiffs,)	
)	
v.)	
)	
)	
BENEFIRST, LLC,)	
Defendant.)	

PLAINTIFFS' LOCAL RULE 56.1 STATEMENT

I. Depositions and Documentation In Support of L.R. 56.1 Statement.

Deposition Excerpts Appended:

- Fed. R. Civ. P. 30(b)(6) Deposition of BeneFirst, LLC ("BeneFirst") by
and through Charles T. Dobens ("Dobens"), dated April 15, 2008 ("BF
30(b)(6) dep. (4/15/08 - Dobens)") Tab 1
- Deposition of M. Marcus Moran, Jr. dated May 22, 2008
("Moran dep.") Tab 2
- Deposition of Sarah Arel dated April 9, 2008 ("Arel dep.") Tab 3
- Deposition of Paul Gatanti, Jr. dated April 14, 2008
("Gatanti dep.") Tab 4
- Deposition of Carrie Reddie dated May 16, 2008 ("Reddie dep.") . Tab 5
- Deposition of Charles Lord dated May 22, 2008 ("Lord dep.") . . . Tab 6
- Fed. R. Civ. P. 30(b)(6) deposition of BeneFirst, by and through Dobens
dated September 7, 2006 ("BF 30(b)(6) dep. (9/7/06 - Dobens)") . . Tab 7

Exhibits Appended:

- BeneFirst's Responses to Plaintiff's Requests for Admissions dated April 14, 2008 ("Adm. Resp.")Tab 8
- W.E. Aubuchon's Supplemental Answers to Interrogatories dated November 14, 2007 ("WEA Supp. Ans. Ints.")Tab 9
- Aubuchon Distribution's Supplemental Answers to Interrogatories dated November 14, 2007 ("Distrib. Supp. Ans. Ints.")Tab 10
- Unsigned Administrative Services Agreement ("ASA") Tab 11
- Correspondence from S. Rosenberg to L Ciavarra dated August 31, 2007 ("8/31/07 Letter") Tab 12
- Email from C. MacLeod to S. Arel dated May 17, 2008 ("5/17/05 Email") Tab 13
- Correspondence from BeneFirst (P. Sullivan) to W.E. Aubuchon (M. Moran) dated June 29, 2004 ("6/29/04 Letter")Tab 14
- Report of Northshore International Insurance Services dated April 8, 2005 ("4/8/05 NIIS Report") Tab 15
- Report of NIIS dated July 22, 2005 ("7/22/05 NIIS Report")Tab 16
- Report of NIIS dated April 8, 2008 ("4/8/08 NIIS Report")Tab 17
- Order on BeneFirst's Motion for Reconsideration Of Court's Discovery Order Related to Medical Bills dated February 6, 2007 ("Order") . .Tab 18
- Affidavit of Sarah Arel Tab 19

II. Statement of Material Facts.

1. W.E. Aubuchon and Aubuchon Distribution are Massachusetts corporations and were the plan sponsors for the Plans, which provided medical benefits to their respective qualifying employees. It is not disputed that the Plans are covered by ERISA. The Plans are self-insured. (See W.E.A.S.P.D. (7/1/01), p. 3; W.E.A.S.P.D. (9/1/02), p. 3; A.D.S.P.D., p. 3.) The Aubuchon Companies have never administered their own Plans, but rather have always retained the services of a third-party administrator (“TPA”). (See Moran dep., p. 40.) In or around 2001, the Aubuchon Companies reached agreement with BeneFirst to act as administrators for both Plans. (See BF 30(b)(6) dep. (4/15/08 – Dobens), pp. 64, 66.)

2. The Aubuchon Distribution Plan terminated at the end of the 2002 Plan year when that company’s employees became covered under a union medical benefit plan. (See BF 30(b)(6) dep. (4/15/08 – Dobens, p. 66.)) As such, BeneFirst was the TPA for a single Plan year, July 1, 2001 to June 30, 2002, with respect to the Plan. (See Aubuchon Distribution’s Supp. Ans. Ints., No. 4; BF 30(b)(6) dep. (4/15/08 – Dobens), p. 31.) BeneFirst served as the TPA for the W.E. Aubuchon plan from July 1, 2001 until December 31, 2004, at which time it was terminated by W.E. Aubuchon in the middle of the Plan year. (See Aubuchon Supp. Ans. Ints., No. 4; BF 30(b)(6) dep. (4/15/08 – Dobens), p. 31.)

3. Although no signed copies of the Administrative Services Agreements (“ASA”) for the Plans have been located; the parties do not dispute that the unsigned copy which is included in these papers embodies the essential terms of the agreements between BeneFirst and W.E. Aubuchon and between BeneFirst and Aubuchon

Distribution. (See BF 30(b)(6)(4/15/08 – Dobens), pp. 65-68, 73, 77, 80, 117-18; Moran dep., p. 107; Arel dep., pp. 31-36; ASA.) In this regard, BeneFirst has testified that they had a standard form ASA, that it was BeneFirst’s practice to obtain a signed ASA for each client, and that, despite its inability to locate a signed copy, BeneFirst would look to the terms of the unsigned ASA which has been produced in discovery for the terms of the agreement between the parties. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 65-68, 73, 77, 80, 117-18.) Similarly, employees of the Aubuchon Companies have testified that the unsigned ASA contains the terms of the agreements by and between them and BeneFirst. (See Moran dep., p. 107; Arel dep., pp. 31-36, Ex. 7.)

4. The Administrative Services Agreements provide, among other things, that BeneFirst will: (1) pay Plan benefits “in its usual and customary manner,” (2) notify beneficiaries of any claims denials, the basis for the denials, and their appellate rights under the Plan; (3) “[m]aintain, for the duration of this Agreement and for two (2) years thereafter, adequate records of all transactions between the Plan Sponsor, the Plan Administrator and plan participants;” (4) refer to the Plan sponsor for determinations of (a) any class of claims specified by the sponsor, (b) disputed claims, (c) questions or eligibility and entitlement to coverage, (d) questions as to the amount of benefits due, and (e) “any other question; ”(5) provide the Plan sponsor with “service and assistance in connection with the design and development of the Benefit Plan, initially and in connection with Benefit Plan Revisions;”¹ (6) furnish required annual reports and administrative forms to the plan participants; (7) make diligent efforts to correct any over payment or under payment made by it; (8) “issue claims payments (using Plan Sponsor

¹ “Service and assistance” is defined to include: actuarial and underwriting services; estimating initial plan costs; estimating costs projections for any proposed plan revisions; and advice regarding the preparation of plan documents and summary plan descriptions.

supplied funds) on a weekly basis;” (9) send COBRA notices of right to continue coverage and election forms to qualified beneficiaries, track the beneficiaries during the election period, confirm election and provide premium payment coupons to electing beneficiaries, and to collect COBRA premiums from those electing coverage. (See ASA, pp. 1-2, 5.)² In addition, BeneFirst authorized to and did pay itself its commissions from COBRA premiums it collected prior to paying the net premiums over to the Aubuchon Companies. (See ASA, pp. 4, 11; BF 30(B)(6)(4/15/08 – Dobens), pp. 126-27; 131-32.)

5. The Aubuchon Companies agreed to, among other things, open, maintain, and fund, as directed, a bank account on which BeneFirst was a signatory for claims payments purposes, and pay specified fees in return for these services. (See ASA, pp. 2, 9, 11.)

6. It is not disputed that BeneFirst did, in fact, perform all of these functions with respect to the Plans. Under the ASAs, BeneFirst provided advice as to the contents of the Plans, subcontracted out the build out of a computerized claims processing systems and corrected perceived payment errors in the computerized claims process systems as they were identified. (See BF 30(b)(6) dep. (4/15/08-Dobens), pp. 77-80; Gatanti dep., pp. 139-40; Reddie dep., pp. 71-72, 74-75, 105-06.)

7. BeneFirst’s claims examiners would on a daily basis, make determinations as to whether something was within or without the Plans. (See BF 30(b)(6) Dep.

² It is also not disputed that for at least a portion of times that BeneFirst acted as TPA, that it expressly warranted that it would have a claims accuracy average of 98% or better. (See ASA, p. 5.) BeneFirst’s managing member testified that it was his recollection that the standards were dropped from the ASA when the Health Insurance Portability and Accountability Act of 1996 (HIPAA) became effective and imposed even more stringent standards than those contained in the Agreement (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 74-77.) As such, it is undisputed that BeneFirst was obligated to have a claims accuracy average at least 98% during its entire tenure as TPA.

(4/15/08 - Dobens), p. 86.) It is conceded that not all such decisions were black and white and that claims examining is not just data entry. (See Gatanti dep., pp. 46-47, 82, 91-92, 104-109, 136-37.) Claims adjudication involves some thought on the part of the examiner and there is some interpretation of the plan in certain cases. (See Gatanti dep., pp. 82, 91-92, 104-109, 136-37; Reddie dep. 38-40, 59, 99, 116-17.) If a claims examiner determined that a certain claim could be paid, but the system denied the claim the claims examiner could and did override the system or “finagle the claim to pay how they wanted it to pay.” (See Gatanti dep., pp. 24-25; Reddie dep. 25-26.) BeneFirst’s claims examiner also were responsible to determine whether there was other available insurance to pay a claim, to determine whether there was subrogation claim, to conduct investigations in connection with making those determinations, and to pursue other insurance and subrogation where it deemed appropriate. (See BF 30(b)(6) dep. (4/15/08 - Dobens), p. 92-94; Arel Aff., pp. 1-2.) As a practical matter, the Aubuchon Companies had no involvement in the claims adjudication process, unless approached by an employee regarding a denial of benefits by BeneFirst. (See Reddie dep. p. 82; Lord Dep., pp. 42-45, Arel dep., pp. 165-67; Arel Aff., pp. 1-2.) W.E. Aubuchon deferred to and relied upon BeneFirst’s interpretation of the Plan. (See Reddie dep., pp. 111-12; Arel Aff., pp. 1-2.) BeneFirst does not deny that claims were paid in error. (See BF 30(b)(6) dep. (Dobens), pp. 102-04; Reddie dep., pp. 91-92, 96; 5/17/08 Email.)

9. BeneFirst did, in fact, maintain claims records. (Gatanti dep., pp 86-88, Reddie dep., 63-67.)

10. It is undisputed that BeneFirst had authority and control over the collection and disposition of Plan Assets. BeneFirst determined, on a weekly basis, the

number and dollar amounts of the claims to be paid and reported that figure to the Aubuchon Companies in a "Check Edit Report." (See BF 30(b)(6) dep. (4/15/08-Dobens), p. 40-42; Gatanti Dep., pp. 35-36, 96-99; Reddie Dep. 62-63; ASA, pp. 1, 2, 5.) Upon receipt of that report, the Aubuchon Companies funded the account upon which BeneFirst was a signatory in the requested amount. (See BF 30(b)(6) dep. (4/15/08-Dobens), p. 42-45; Gatanti dep., pp. 35-36, 96-99; ASA, pp. 1, 2, 5.). After the funding was received, BeneFirst would send a file a vendor who actually printed and mailed the checks to the care providers. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 44-45, 47; Reddie dep., pp. 62-63; ASA, pp. 1, 2, 5.)

11. BeneFirst also sent out coupon books for, collected, and paid itself its two-percent commission off the top of the COBRA premiums it collected prior to remitting the balance to the Aubuchon Companies. (See BF 30(b)(6) Dep. (4/15/08-Dobens), p. 126-27, 131-132; ASA, pp. 4, 11.)

12. BeneFirst was aware that there was no one within the Aubuchon Companies that was trained in claims administration and that they were relying upon BeneFirst for claims adjudication. (See BF 30(b)(6) Dep. (4/15/08 - Dobens), p. 84. Compare Arel Aff., pp. 1-2.) Despite this, BeneFirst contends that it was "just a record keeper for the plan" and "nothing more than a vendor to a plan sponsor or a fiduciary of a plan." (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 81, 97.) BeneFirst contends that it did not have discretion over the plan, could not decide what benefits to provide to participants, and solely paid claims according to the plan document. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 80-82.) BeneFirst contends that while it had a fiduciary

responsibility to its clients, it did not had such a responsibility to the plans. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 82-83.)

13. W.E. Aubuchon terminated BeneFirst effective December 31, 2004 because it no longer had confidence in their oversight of the Plan. (See BF 30(b)(6) dep. (4/15/08-Dobens), p. 31; Arel dep., pp. 52-53; Moran dep., 73.) In this regard, the W.E. Aubuchon had a number of very large claims during the 2003-2004 Plan year. (See Arel dep., p. 54.) In a letter dated June 29, 2004 from the president of BeneFirst to the President of W.E. Aubuchon, BeneFirst represented that the W.E. Aubuchon could expect to receive a \$478,000 reimbursement from their aggregate stop loss carrier for the period July 1, 2003, through June 30, 2004, based on their claims history for that period. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 25-26,; Arel dep., pp. 53-55; 6/29/04 Letter, p. 1.) BeneFirst further represented that "BeneFirst has gone through a few aggregate reimbursement audits. I am proud to report the results were flawless on each one." (See BF 30(b)(6) Dep. (4/15/08 - Dobens), pp. 25-26, 6/29/04 Letter, p. 1). However, when the aggregate stop loss insurer audited the claims, the figure BeneFirst had previously reported to W.E. Aubuchon was not substantiated. (See Arel dep., p. 55; 5/17/05 Email.) This occurred because there was an error in a report generated by BeneFirst which overstated the aggregate claims. (See Gatanti dep., pp. 69-75.) Rather than report the error in the report or adverse results of the stop loss insurer's audit of the reimbursement claim, BeneFirst, in apparent fear of the potential consequences, sat on that information for months. (See Gatanti dep., pp. 69-75, 149, Ex. 1; Reddie dep., pp. 78-79; Arel dep., p. 55.) Between June and November, W.E. Aubuchon made repeated inquires as to the status of the stop loss reimbursement. (See Arel dep., p. 55.) After

W.E. Aubuchon's president, Marcus Moran, advised BeneFirst of his intention to report the stop loss anticipated reimbursement in a November 2, 2004 letter, the issue came to a head in a November 5, 2004 meeting involving representatives of both BeneFirst and W.E. Aubuchon. In that meeting, BeneFirst first advised that the reimbursement would not be in the amount previously anticipated. (See Arel dep., pp. 55-56, 95.) The information was not well received and BeneFirst was terminated in a follow-up telephone conference call several days later. (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 21-26; Arel dep., p. 62.) BeneFirst was terminated because of a lack of confidence in their administration of the W.E. Aubuchon Plan and because W.E. Aubuchon had not been able to get accurate information from them. (See Gatanti dep., p. 61; Reddie dep., pp. 96-97; Arel dep., pp. 52-53; Moran dep., p. 73; W.E. Aubuchon's Supp. Ans. Ints., No. 20.)

14. It is not disputed that the only plan document for each of the Aubuchon Companies' Plans was the Summary Plan Description ("SPD"). (See BF 30(b)(6) dep. (4/15/08 - Dobens), pp. 63-64.)

15. The Introduction in Section I of each of the relevant SPD provides in pertinent part as follows:

The Plan Administrator has full discretionary authority to interpret this Plan and its provisions and regulations with regard to eligibility, coverage, benefit entitlement, benefit determination and general administrative matters. The Plan Administrator's decisions will be binding on all Covered Employees and their beneficiaries and conclusive on all questions of coverage under this Plan. (emphasis added)

(See W.E.A.S.P.D. (7/1/01), p. 1); W.E.A.S.P.D. (9/1/02), p.1; A.D.S.P.D., p. 1.)

16. The SPD further provides in its General Plan Provisions at VIII. A.3. that:

The Plan Administrator shall be a named fiduciary for purposes of Section 402(a)(1) of ERISA, shall administer the Plan in

accordance with its terms, and shall have complete discretionary authority and all powers necessary to carry out its terms and to control and manage the operation and administration of the Plan, including, but not limited to the following:

- ...
- (g) to employ or retain counsel, accountants, third party administrators, actuaries or such other consultants as may be required to assist in administering the Plan;...(emphasis added)

(See W.E.A.S.P.D. (7/1/01), pp. 58-59; W.E.A.S.P.D. (9/1/02), p. 60; A.D.S.P.D. (8/25/01), pp. 57-58.)

17. The SPDs' Definitions provides, in pertinent part, the following:

Contract Administrator. BeneFirst, LLC together with any other of its programs, units, or divisions that is designed to perform claims administration functions under the Plan ...

...

Plan Administrator. W.E. Aubuchon Co., Inc. [or W.E. Aubuchon Distribution Co., Inc.]. The term Plan Administrator also means any person or persons to whom the Plan Administrator delegates all or part of its authority under the Plan. (emphasis added)

(See W.E.A.S.P.D. (7/1/01), pp. 72, 79; W.E.A.S.P.D. (9/1/02), pp. 74, 81; A.D.S.P.D. pp. 71, 78.)

18. The Summary Plan Description further provides in its SPD in Section II as follows:

The Plan is self administered by the Employer, which is a "named fiduciary" and the "plan administrator" under ERISA. The Employer has delegated claims administration and other day-to-day functions for all benefits except prescription drug benefits and certain vision care benefits to the following Contract Administrator:

BeneFirst, LLC
P.O. Box 1421
Marshfield, MA 020250-877
823-6334 (Member Services)
www.BeneFirst.com

(See W.E.A.S.P.D. (7/1/01), p. 4; W.E.A.S.P.D. (9/01/02), p. 3; A.D.S.P.D., p. 4.)(emphasis added).

19. Less than a year after the commencement of this lawsuit, BeneFirst sold all or substantially all of its assets to America's Choice Health Plans, including most of its computers, and ceased active business operations. (See BF 30(b)(6) dep. (9/7/06 - Dobens), pp. 7-9. See also Order on BeneFirst's Motion for Reconsideration of Court's Discovery Order Related to Medical Bills, dated February 6, 2007, p. 3 (Document #40)).

20. An audit of 208 claims transactions processed by BeneFirst under the W.E. Aubuchon Plan for the July 1, 2003, through June 30, 2004, aggregate stop loss period was performed by Northshore International Insurance Services, Inc. ("NIIS") at the request of BP, Inc., a stop loss general managing underwriter for the W.E. Aubuchon Plan. (See 4/8/05 NIIS Report, p. 1. The findings of the audit were memorialized in a report to BP, Inc. dated April 8, 2005. (See Id.) The audit recommended a deduction of \$107,057.90 from the aggregate claim.

21. Thereafter, W.E. Aubuchon engaged NIIS to conduct an audit of 122 claims transactions processed by BeneFirst under the W.E. Aubuchon Plan for the period July 1, 2002, through June 30, 2003, and 138 claims transactions processed by BeneFirst under the W.E. Aubuchon Plan for the period July 1, 2004, through December 31, 2004. The findings of this audit were memorialized in a report to W.E. Aubuchon dated July 22, 2005. (See 7/22/05 NIIS Report; 4/8/08 NIIS Report, p. 2.)

22. In discovery, the Aubuchon Companies served requests for production seeking, among other things, claims records for the W.E. Aubuchon and Aubuchon Distribution Plans. BeneFirst objected to producing the requested materials and motion practice ensued which culminated in an Order dated February 6, 2007, in which the Court (Hillman, M.J.) denied BeneFirst's Motion for Reconsideration and ordered BeneFirst to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiff's at their own [BeneFirst's] expense. (See Order. P. 12).

23. BeneFirst, however, only produced documents pertaining to 1,777 of the 2,991 W.E. Aubuchon Plan claims which it was ordered to produce by the Court. (See 8/31/07 Letter, p. 1; Adm. Resp., Nos. 10-12.)³

24. Similarly, BeneFirst has only produced documents pertaining to 105 of the 166. Aubuchon Distribution Plan claims which it was ordered to produce by the Court. (See 8/31/07 Letter, p. 1.)

25. BeneFirst admits that "it produced all claims images in its possession, custody or control in complying with Judge Hillman's order." (See Adm. Resp., Nos. 10-12.)

26. It is cannot be disputed that the claims images which BeneFirst has failed to produce are relevant to its liability, including without limitation its failure to maintain claims records as required by the ASA and to the Aubuchon Companies damages. (See Order, pp. 10, 12.)

27. BeneFirst's failure to maintain the claims records at issue was a breach of the ASA. (See ASA, p. 2.)

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC., W.E.
AUBUCHON CO. INC. EMPLOYEE
MEDICAL BENEFIT PLAN, and
AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN
By their attorneys,

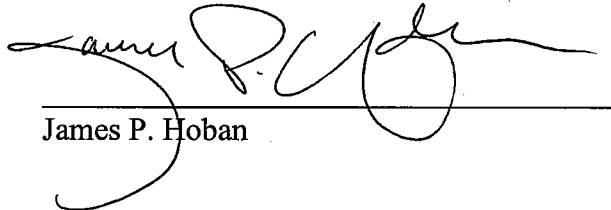


Louis M. Ciavarra (BBO #546481)
James P. Hoban (BBO #633929)
Colleen E. Cushing (BBO #663498)
Bowditch & Dewey, LLP
311 Main Street, P.O. Box 15156
Worcester, MA 01615-0156
(508) 791-3511

Date: August 27, 2008

CERTIFICATE OF SERVICE

I hereby certify that this document filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non-registered participants on August 27, 2008.



James P. Hoban

1

Exhibits: 1-7

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CA No. 05-40159FDS

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC.,
W.E. AUBUCHON CO., INC. EMPLOYEE
MEDICAL BENEFIT PLAN,
and AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs

v.

BENEFIRST, LLC,

Defendant

30(b)(6) DEPOSITION OF BENEFIRST,
LLC, through its Designee, CHARLES T.
DOBENS, and CHARLES T. DOBENS, Individually
taken at the request of the Plaintiffs,
pursuant to Rule 30 of the Massachusetts
Rules of Civil Procedure before Kathleen M.
Bradley, Notary Public and Registered
Professional Reporter in and for the
Commonwealth of Massachusetts, on Tuesday,
April 15, 2008, commencing at 10 a.m. at
the offices of Bowditch & Dewey, 311 Main
Street, Worcester, Massachusetts.

BAY STATE REPORTING AGENCY
76 MILL STREET (At Park Avenue)
WORCESTER, MASSACHUSETTS 01603
(508) 753-4121

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CA No. 05-40159FDS

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC.,
W.E. AUBUCHON CO., INC. EMPLOYEE
MEDICAL BENEFIT PLAN,
and AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs

v.

BENEFIRST, LLC,

Defendant

30(b)(6) DEPOSITION OF BENEFIRST,
LLC, through its Designee, CHARLES T.
DOBENS, and CHARLES T. DOBENS, Individually
taken at the request of the Plaintiffs,
pursuant to Rule 30 of the Massachusetts
Rules of Civil Procedure before Kathleen M.
Bradley, Notary Public and Registered
Professional Reporter in and for the
Commonwealth of Massachusetts, on Tuesday,
April 15, 2008, commencing at 10 a.m. at
the offices of Bowditch & Dewey, 311 Main
Street, Worcester, Massachusetts.

BAY STATE REPORTING AGENCY
76 MILL STREET (At Park Avenue)
WORCESTER, MASSACHUSETTS 01603
(508)753-4121

WITNESS DIRECT CROSS REDIRECT RECROSS

CHARLES T. DOBENS

MR. CIAVARRA: 4 130

MR. BRODIE: 122

EXHIBITS

1 ReNotice of Deposition 5

2 6/29/04 Letter from 25
Mr. Sullivan to Mr. Moran

3 11/2/04 Letter to 28
Mr. Sullivan from Mr. Moran

4 8/2/05 Letter from C. Dobens 70
to Atty. Gelinas with ASA

5 EMail 5/17/05 104

6 4/8/05 Letter from 106
NorthShore

7 Sales Proposal 116
AUB 417-427

2

APPEARANCES:

FOR THE PLAINTIFF:

BOWDITCH & DEWEY
311 Main Street

Worcester, Massachusetts 01615
BY: LOUIS M. CIAVARRA, ESQ.

FOR THE DEFENDANT:

THE MCCORMACK FIRM, LLC
One International Place
7th Floor

Boston, Massachusetts 02110
BY: ERIC L. BRODIE, ESQ.

4

PROCEEDINGS

CHARLES T. DOBENS, having been
satisfactorily identified by the production
of his driver's license, and duly sworn,
was examined and testified as follows:

MR. CIAVARRA: We will continue
with the usual stipulations that we've had.
Reserve all objections except as to form
and motions to strike until the time of
trial.

The witness will read and sign
his transcript, no requirement of
notarization.

MR. BRODIE: For the record I
agree. So stipulated.

MR. CIAVARRA: Thank you.

DIRECT EXAMINATION

BY MR. CIAVARRA:

Q. Mr. Dobens, you understand you're
here for your deposition today, right?

A. Yes.

Q. And you and I have done this one once
before?

A. Yes.

1 Q. And you recall that?

2 A. I think you were a little heavier
3 before.

(Discussion off the record)

5 Q. The rules haven't changed. I'm here
6 to ask you questions about this case and
7 she will be taking down my questions and
8 your answers. And it's really not more
9 complicated than that.

10 As far as the only other thing
11 that's changed you're also here on behalf
12 of the company to testify on certain
13 topics. Do you understand that?

14 A. Yes.

15 Q. And you've seen that notice?

16 A. Yes.

17 MR. CIAVARRA: Just for the
18 record we'll mark this as Exhibit 1.

19 (Exhibit 1, Notice of
20 Deposition, marked)

21 Q. The notice that listed, you can share
22 it with Eric.

23 A. Yes, this is the one I looked at
yesterday, yes.

6

1 Q. So you understand you are here to
2 testify individually as Charles Dobens, but
3 also a representative of the company?

4 A. Sure.

5 Q. And you've taken a look at this list
6 of 23 topics?

7 A. Yes.

8 Q. And done whatever you think is
9 necessary to be able to answer questions on
10 those topics?

11 A. Yes.

12 Q. And just for the record does
13 BeneFirst still exist as an entity?

14 A. No.

15 Q. And what happened? Has the company
16 been dissolved?

17 A. The assets were sold to America's
18 Choice Health Plans out of Houston, Texas.

Q. And then what happened to the legal
entity, the LLC, after the asset sale?

21 A. You know, you'd have to check with
22 them because they took the name. It's my
23 understanding that they took the name as
24 well.

1 Q. You may not know the answer to this,
2 so if you don't, feel free to tell me. But
3 you did not sell the stock, you sold the
4 assets?

5 A. That's correct. There was no stock.

6 Q. I'll ask you the same question I
7 asked you last time, because it's an LLC.
8 But the LLC itself was not sold, the assets
9 were sold?

10 A. Yes, that's correct.

11 Q. So you continued as the sole member
12 of that LLC?

13 A. No, I was not the sole member. There
14 still were other members existing.

15 Q. So what happened to the entity?

16 A. You know, I think it's just defunct
17 right now, although I think that's the
18 legal and non-legal status.

19 Q. It has no assets?

20 A. It has nothing, no.

21 Q. So the only ability it has to pay a
22 judgment in this case is if there's
23 insurance?

24 A. Exactly, yes.

8

1 Q. When the assets were sold was there
2 any distribution to any of the members?

3 A. No, it was essentially a break-even.

4 Q. You paid off debts?

5 A. Yes.

6 Q. And what are you doing now for a
7 living?

8 A. I'm a real estate investor.

9 Q. Not involved in the health insurance
10 business currently?

11 A. No.

12 Q. And what's your home address?

13 A. 30 Parkers Grove Lane in Duxbury.

14 Q. Do you know where is Mr. Sullivan
15 now, Paul Sullivan?

16 A. You know, I haven't spoken to him
17 since probably about 2005, 2006. I would
18 believe he's still down in Mashpee. He
19 had two homes in Mashpee.

20 Q. And do you know what he's doing
21 professionally?

22 A. I believe he's an insurance broker,
23 benefits broker. I mean this is all -- you
24 know, I may be totally wrong so --

1 Q. Okay. You've just got to give me
2 your best information. And Maureen
3 FitzGerald, where is she now?

A. I'm assuming she's with him doing the
5 same thing.

6 MR. BRODIE: Meaning Paul
7 Sullivan?

8 A. Paul Sullivan, yes.

9 Q. And you've have had no contact with
10 him?

11 A. None whatsoever.

12 Q. When is the last time you spoke to
13 Paul Gatanti?

14 A. Oh brother -- I think the last time I
15 spoke to him was at his father's funeral,
16 which was shortly after the time he left
17 BeneFirst. I really don't think I've had
18 any communication with him since then.

19 Q. And Carrie Reddi, when is the last
20 time you spoke with her?

21 A. I've got to think that the last time
22 I spoke to her was maybe like one of her
23 last days at BeneFirst.

Q. When was that?

10

1 A. Oh brother -- 2006, some time in
2 2006. I haven't spoken to anyone at
3 BeneFirst about anything really since the
4 company dissolved, especially not about
5 this case whatsoever. So I have had no
6 communications.

7 Q. So if I can shortcut it then is the
8 only conversations you've had with anyone
9 about this case or about Aubuchon is with
10 your lawyers?

11 A. Exactly, yes.

12 Q. Have you reviewed the audit reports
13 that were completed by Northshore in this
14 case?

15 A. No. I believe there are two audit
16 reports. I just want to make sure we're
17 talking about the right one.

18 Q. We'll go through them all.

A. Okay.

Q. So let's break it down if that's
21 easier for you.

22 While Aubuchon was still a
23 client of BeneFirst there was an audit
24 completed by Northshore for the excess

1 carrier. Do you recall that?

2 A. Yes.

3 Q. And that was back in 2005 I believe?

4 A. Right.

5 Q. Did you review that at the time?

6 A. Yes, that one I reviewed.

7 Q. Subsequent to the separation between
8 Aubuchon and BeneFirst, Aubuchon engaged
9 Northshore to do an audit back in, again,
10 in 2005. Have you reviewed that audit?

11 A. I don't believe I have. I believe
12 we had asked for that and never received it
13 because they claimed it was their property,
14 they paid for it, so they kept it to
15 themselves.

16 Q. And in connection with this lawsuit
17 Northshore has done additional audit work,
18 copies of which the reports were provided
19 as attachments to Answers to
20 Interrogatories. And I'll get to the
21 actual paper, but have you reviewed those?

22 A. I don't think I have. I don't think
23 I've seen that yet.

24 Q. We'll get to them specifically. In

12

1 order to prepare for the deposition today
2 what documents, if any, did you look at?
3 A. I went through Sarah Arel's
4 deposition. I briefly looked at the draft
5 of Paul Gatanti's deposition. We obviously
6 went through my answers to responses or
7 questions.

8 Q. Interrogatories?

9 A. Interrogatories. And then I
10 reviewed, and this kind of is, you know, a
11 good little Cliff Notes version of what
12 things I needed to remember and what the
13 case is all about.

14 So I think in preparation for
15 today's visit I think that is a pretty
16 extensive list of what I've done.

17 Q. Okay. So Paul Gatanti's deposition,
18 which was just yesterday, you got a copy of
19 that transcript?

20 A. Yes, I looked at a draft of that.

21 Q. And did you notice anything that he
22 stated that was incorrect?

23 A. I was not able to go through the
24 whole thing.

1 Q. But from whatever you saw, did you
2 see anything that struck you as being
3 wrong?

4 A. No, I think everything that he said
5 that I looked at was right on the mark.

6 Q. And how much of it did you get
7 through?

8 A. I would say about ten to 15 pages
9 pages.

10 Q. And when you reviewed Sarah Arel's
11 transcript, did you see anything in there
12 that you disagreed with?

13 A. I didn't go entirely through her
14 transcript. And I didn't see -- I didn't
15 see in there anything that I had an issue
16 with, but I did not review the entire
17 document.

18 Q. How much of that did you get through?

19 A. Oh geeze, I probably went through, I
20 think it was like 168 pages. I think I did
21 about 30 to 40 pages of it, just briefly
22 skimmed through it.

23 Q. But nothing stuck out at you?

A. No, nothing that I saw in the papers

14

1 stuck out at me.

2 Q. That's okay. And Kim McMann's
3 deposition was taken as well. Have you
4 seen her deposition?

5 A. No, I did not know that she was
6 deposed.

7 Q. I'm not going to mark these right
8 now, but these are Plaintiff's, that's
9 Aubuchon, Plaintiff's Answers to

10 Interrogatories, which are the written
11 questions submitted by your lawyers.

12 A. Okay.

13 Q. And I just want to know if you've
14 seen those before.

15 A. No, I have not seen these.

16 Q. Before I was asking you about audit
17 work that had been done by Northshore and
18 if you just look at Exhibits, I'm not going
19 to ask you detailed questions, but just to
20 see if you've seen Tabs 1, 2 or 3 before.

21 A. Well, you know, you see, I can't
22 answer that specifically just because this
23 Exhibit 1 does not look familiar to me, but
24 Exhibits 2 and 3, the form looks familiar,

1 but I did see their original format for the
2 first one. So I can't say whether this is
3 for the first audit or the second audit.

4 Q. So the format looks familiar?

5 A. Yes.

6 Q. You're just not sure if the substance
7 is the same stuff.

8 A. Yes, exactly.

9 Q. We'll come back to that specifically.

10 You understand that in this case there's a
11 claim by Aubuchon that BeneFirst overpaid
12 certain medical claims that were due to be
13 paid under their insurance, right?

14 A. So they were eligible claims, but the
15 amounts were overpaid.

16 Q. This is not just that. There could
17 be, I'm not trying to limit the reasons why
18 there were over-payments. It could be a
19 variety of reasons.

20 My question isn't directed to
21 the causation there.

22 A. Okay.

23 Q. I'm just trying to get a sense of
24 30,000 feet now and come down to it.

16

1 A. Okay.

2 Q. You understand that Aubuchon claims
3 it was damaged because it paid more in
4 medical claims than it should have had
5 BeneFirst done their job properly?

6 A. Yes, I understand that.

7 Q. What have you done, if anything, to
8 determine whether or not that allegation is
9 accurate?

10 A. As a company, or me personally or --

11 Q. I'll ask you personally, and if it's
12 different as a company let me know.

13 A. Oh, me personally as Charles Dobens,
14 I don't think I did anything. I think as
15 BeneFirst, what we did, obviously, is when
16 we processed the claims and then we filed,
17 they exceeded their attachment point and
18 then we filed that claim with the stop loss
19 carrier.

20 The stop loss carrier comes in
21 or sends an auditor in to look at the
22 claims and they do an audit.

23 So whatever the results come
24 back as, I mean that's pretty much, Hey,

1 you paid this wrong, you didn't pay this
2 one wrong.

3 So I think at the time, and my
4 numbers may be off. I think we originally
5 filed for \$73,000 aggregate, and after the
6 audit it came down to \$71,000.

7 My numbers may be off. That's
8 what I remember, is that after the audit
9 they knocked off a nominal amount from what
10 we originally filed a claim for.

11 Q. Okay. I'm going to come back to my
12 first question, but go ahead.

13 A. So I hope that answers your question,
14 that that's what we would have done. We
15 laid ourselves bare to the auditor to come
16 in and tell us whether we paid the claims
17 correctly or not.

18 Q. And this is obviously pre-lawsuit
19 you're talking about, the audit that was
20 done for the excess carrier?

21 A. Yes.

22 Q. And when that audit came in, did you
23 review that? You already said you did.
You took a look at that?

18

1 A. Yes, I took a look at it, yes.

2 Q. And did you see any errors in that
3 audit that you disagreed with?

4 A. Oh, I think there were some. You
5 always get some errors you disagree with
6 the stop loss carrier on, what they came
7 back with.

8 And so then you sit down with
9 the auditor and say, Now you're wrong here,
10 this is how we do it.

11 And if they accept your
12 explanation, then they'll bring the claim
13 back in.

14 Q. Who did that on behalf of BeneFirst?

15 A. Paul Gatanti. Paul Gatanti oversaw
16 that department. Cheryl MacCloud I think
17 was the one that was actually responsible
18 for filing the stop loss claims.

19 Q. Do you recall though that the
20 original amount estimated by BeneFirst was
21 actually \$478,000?

22 A. Okay. Now when you say that, it's
23 just important that you understand that
24 number. That was a gross unaudited number

1 off of the RCR report. And everybody knew
2 that that number was prior to everything
3 being cleaned out and flushed out.

4 So within -- I believe a stop
5 loss claim has to be filed within 30 days
6 of the end of the policy year. And when we
7 filed a claim we knew it was 70-some-odd
8 thousand dollars.

9 Q. When you say "we knew," you mean
10 BeneFirst knew?

11 A. Benefirst, yes.

12 Q. You're not suggesting that Aubuchon
13 knew?

14 A. No, I'm not suggesting that Aubuchon
15 knew at that time that it was only
16 70-some-odd-thousand dollars.

17 Q. In fact, up until the report came
18 from the stop loss carrier BeneFirst as a
19 company was telling Aubuchon that the
20 number was \$475,000, right?

21 MR. BRODIE: Objection to form.
22 You can answer.

23 A. Okay. BeneFirst had told Marcus
24 Moran -- Paul Gatanti had told Marcus that

20

1 that \$400,000 number was an unaudited
2 number and don't go by that.

3 Marcus said, Well, what should
4 I expect? And Paul Gatanti said you can
5 expect probably around \$200,000. And this
6 was prior to the account final claim being
7 filed.

8 And so that was BeneFirst had
9 told Marcus Moran about \$200,000.

10 Q. And you didn't say that?

11 A. No, I wouldn't have known that
12 information.

13 Q. And where do you get this information
14 that Gatanti? Because that was not in his
15 testimony yesterday.

16 A. Okay. Well, that's my recollection
17 as to how the conversation went.

18 Q. And this is something that you think
19 Gatanti told you that he told Marcus Moran?

20 A. I actually think I was in the room
21 when it was said.

22 Q. So tell me about that meeting.
23 Because what's important here today is for
24 us to know what your specific memory is,

1 not assumptions, not guesses, what you
2 recall happening.
3 A. Right. I recall happening that early
4 on when the claim was first filed or prior
5 to the claim being filed there was a big
6 discussion about the RCR report showing a
7 \$400,000 aggregate reimbursement.

8 We knew that the RCR report was
9 a gross unaudited report that included
10 everything including the kitchen sink and
11 the number.

12 And I remember there was some
13 meeting with Marcus, Paul Gatanti, and
14 myself. I don't remember who else was
15 present.

16 But I remember Marcus being
17 told that it was not 400. And he said, How
18 much should I expect? And Paul Gatanti
19 said about 50 percent or about \$200,000.

20 And I remember that coming back
21 to roost at a later meeting with Aubuchon
22 and Marcus Moran, and everybody was there,
23 Paul Sullivan, Maurie FitzGerald, Sarah
Arel, Kim McMann, Aubuchon Jr., I don't

22

1 remember his name.

2 Q. William?

3 A. William Jr.?

4 Q. Is that who was there?

5 A. Yes, it was a young guy. I never met
6 him before. And I just remember he was an
7 Aubuchon and it was a Junior, and he was
8 getting more involved in the Benefits side.
9 Paul Gatanti, myself.

10 And in that meeting that's when
11 the amount, the total amount of the
12 aggregate came out as being
13 70-some-odd-thousand.

14 And I'll never forget, I was
15 sitting like sideways Marcus. And Marcus
16 is like, "Oh, this is not good. This is in
17 not good."

18 And I said, "Why?" That's
19 actually good news that it's a smaller
20 claim than you expected."

21 And he says, "No, I told my
22 Board of Directors that it was going to be
23 \$400,000."

24 I said, "Why would you do that?"

1 We told you at the time 200. It wasn't
2 about to grow any larger. Why did you make
3 it 400?"

4 So that's -- I remember through
5 the whole course of events that the
6 original time we told Mark is \$200,000 was
7 way back in July before we had finalized
8 the aggregate claim. So --

9 Q. Let me try and be specific on some
10 things. First of all, this meeting that
11 you have a memory of in which you claim Paul
12 Gatanti told Marcus that the number was
13 \$200,000, not \$478,000, when do you believe
14 that meeting occurred?

15 A. That meeting would have occurred at
16 the end of July, beginning of, end of June,
17 beginning of July of the year in question
18 for the aggregate filing.

19 Q. And the year you're talking about,
20 just for the record, is 2004?

21 A. Okay, 2004.

22 Q. And the meeting in which Mark
23 indicated he had conveyed the \$478,000 to
24 his Board, when did that occur?

24

1 A. That occurred like end of October,
2 beginning of November.

3 Q. In the middle of 2004 Paul Sullivan
4 was your President of the company, right?

5 A. Yes.

6 Q. And he had full authority to speak on
7 behalf of the company?

8 A. Yes.

9 Q. And let me show you a letter dated
10 June 29, 2004 from Mr. Sullivan to Mr.
11 Moran and ask you if you recall that.

12 A. (Reading document)

13 MR. BRODIE: You can read
14 through the whole letter.

15 THE WITNESS: Sure.

16 A. (Reading document.) Okay.

17 Q. First question, you're not cc'd on
18 that letter, right?

19 A. No.

20 Q. Do you recall that letter?

21 A. I think I recall having an issue with
22 this letter.

23 MR. CIAVARRA: Why don't we
24 mark this as Exhibit 2.

1 (Exhibit 2, 6/29/04 Letter from
2 Mr. Sullivan to Mr. Moran,
3 marked)

Q. Okay. So let's start off first.

5 This is a letter from the President of
6 BeneFirst to the President of Aubuchon,
7 right?

8 A. Yes.

9 Q. Dated June 29, 2004?

10 A. Correct.

11 Q. And you have a memory of seeing a
12 letter, this letter, on or about that time?

13 A. Yes.

14 Q. And in this letter Mr. Sullivan is
15 representing to Aubuchon that the aggregate
16 number that he could expect to get from the
17 excess carrier based upon their claims
18 history for that time period was \$478,000,
19 right?

20 MR. BRODIE: Objection.

21 Q. Is that what he's representing in the
22 letter?

23 A. Yes.

Q. And he's also representing in the

26

1 last paragraph that, I'm sorry, the last
2 paragraph on the first page, "That while
3 this is subject to an audit, we've been
4 through several audits, and he's proud to
5 say they have gone through them cleanly,"
6 isn't that what he's saying?

7 A. Yes.

8 Q. And as the recipient of that letter
9 would it be fair to assume that you could
10 expect to get \$478,000?

11 MR. BRODIE: Objection.

12 Q. Would you agree with that?

13 A. Except for this letter, the last
14 phrase of the report it is an unaudited
15 report.

16 Q. Then read the next paragraph. Why
17 don't you read the next paragraph after
18 that into the record, please.

19 A. "BeneFirst LLC has gone through a few
20 aggregate reimbursement audits. I am proud
21 to report the results were flawless on each
22 one." I think that's maybe --

23 MR. BRODIE: He just asked you
24 to read it.

1 MR. CIAVARRA: He can finish.

2 A. No --

3 Q. What were you going to say?

4 A. I think that you're talking about two
5 different things really. You're talking
6 about what the RCR says versus what a
7 Northshore audit, a Northshore audit
8 company would come in and do.

9 And I can tell you that based
10 upon what we filed and what was audited,
11 that last statement is still a correct
12 statement.

13 Q. By the way, I have not seen what you
14 filed. Do you have that?

15 A. No, I don't have that. I think my
16 recollection is that they kicked out
17 approximately \$2,000 of the reimbursement
18 that we had filed for.

19 Q. But the actual filing, do you have a
20 copy of that record anywhere?

21 A. I do not, no.

22 Q. I've never seen it. Okay. When you
23 saw this letter did you pick up the phone
24 and call Mr. Moran and say I want to talk

28

1 about what's in here?

2 A. I didn't call Mr. Moran. Paul
3 Sullivan had the direct relationship with
4 Marcus.

5 Q. Did you instruct Mr. Sullivan to
6 follow up with Mr. Moran after this letter
7 was sent?

8 A. Oh yes.

9 Q. And do you know if he did?

10 A. I know that he did not.

11 Q. Let me show you a letter dated
12 November 2, 2004 from Mr. Moran back to Mr.
13 Sullivan and ask you to read that first.

14 A. (Reading document) Okay.

15 Q. Did you see a copy of that letter in
16 or about November of 2004?

17 A. I don't believe so.

18 MR. CIAVARRA: Have this marked
19 as Exhibit 3.

20 (Exhibit 3, Letter from Mr.
21 Moran to Mr. Sullivan,
22 11/2/04, marked)

23 Q. Have you seen this letter before at
24 any time?

1 A. I can't recall seeing this.
 2 Q. In that letter Mr. Moran is
 3 indicating to Mr. Sullivan, to the
 4 President of your company, that he intends
 5 to report to the Board the \$478,000 number,
 6 right?
 7 A. Yes.
 8 Q. That's what it says?
 9 A. Yes.
 10 Q. Okay. And what action, if any, did
 11 BeneFirst take at that time to indicate or
 12 to tell Mr. Moran he shouldn't do that,
 13 that you know of?
 14 A. Well, at that time I don't know what
 15 we did.
 16 Q. If you don't know, you don't know.
 17 A. Yah.
 18 Q. The meeting that you told us about in
 19 which Mr. Moran appeared, I don't know if
 20 upset or concerned is the right word, but
 21 not happy with the fact that the number was
 22 not 478, does this help you place this
 23 meeting at some time after this date?
 A. Okay. See, that's why I answered the

30

1 question the first time like that. I
 2 wasn't quite sure when because I don't
 3 remember exactly the chronology of events
 4 here.
 5 I don't know whether this
 6 letter came before that meeting, I don't
 7 remember getting it.
 8 If this went to my partner,
 9 Paul Sullivan, this is the type of thing he
 10 would hide from me or wouldn't show me.
 11 And so I don't know whether
 12 this letter --
 13 Q. If you don't remember --
 14 A. All I remember, end of October,
 15 beginning of November is the timeframe that
 16 I remember that meeting occurring.
 17 Q. Well, what types of stuff did Paul
 18 Sullivan hide from you?
 A. You know, bad news.
 Q. What was Paul's responsibilities at
 the company in this 2004 timeframe?
 A. You know, his title was President.
 He was a member of the LLC. His primary
 role was in sales.

1 Q. How long after this letter did
 2 Aubuchon terminate the relationship with
 3 BeneFirst?
 4 A. Well, I think getting ready for this,
 5 they terminated on January 1 of 2005, so
 6 obviously there's a two-month window.
 7 Q. Who communicated that termination to
 8 you first?
 9 A. Paul Sullivan.
 10 Q. So you didn't hear that directly from
 11 Aubuchon?
 12 A. No.
 13 Q. From Mr. Gatanti's deposition
 14 yesterday, and I think you said it this
 15 morning, the \$478,000 number that we've
 16 seen referenced in Exhibits 2 and 3, that
 17 number comes off of the RCR report?
 18 A. Yes.
 19 Q. Mr. Gatanti spoke yesterday about an
 20 error in the RCR report that would
 21 overstate the aggregate. Do you know what
 22 I'm talking about?
 23 A. I wouldn't call it an error. You
 24 have to understand how to use the report,

32

1 what it can be used for and what it can't
 2 be used for.
 3 So I don't think that the
 4 report generated erroneous information.
 5 You had to understand that that information
 6 was unaudited and it included more detail
 7 than was needed.
 8 Q. But the RCR report would indicate
 9 what the aggregate number would be or could
 10 be expected to be. It would tell you what
 11 the total amount of payments had been for
 12 you to reach that threshold before your
 13 excess coverage would kick in?
 14 A. It could. If it was, you know, as I
 15 said, unaudited. If somebody went in there
 16 and cleaned out all those claims that were
 17 ineligible --
 18 Q. I'm just talking about the reader of
 19 the document.
 20 A. Yes, the reader of the document would
 21 not be able to know exactly what the
 22 reinsurance stop loss claim would be by
 23 looking at this RCR report.
 24 Q. But, tell me if I'm wrong, but the

1 \$478,000 number that was referenced in 2
2 and 3, you understood came from the RCR
3 report?

A. Yes, absolutely.

5 Q. And I think what you told me is
6 internally at BeneFirst you guys certainly
7 knew that you couldn't translate that 478
8 directly to what would be expected from the
9 stop loss carrier?

10 A. That's right.

11 Q. Had you known that throughout the
12 entire time of period that that fact, that
13 you guys were creating the RCR reports?

14 A. Since --

15 Q. Going back for years.

16 A. Oh, years. I think early on when we
17 first started using the RIMS system we
18 discovered that there was that discrepancy
19 with the actual stop loss limit and the RCR
20 report.

21 Q. Do you know what caused that --

22 A. The RCR report --

23 Q. Let me finish the question.

A. Sorry.

34

1 Q. That's okay. Do you know what caused
2 the RCR report to indicate \$478,000 as
3 opposed to what the actual claim was for?

4 A. Yes. The RCR would include pretty
5 much all the claims that we paid for that
6 client. It also could include specific
7 reimbursements, which are claims that are
8 ineligible to the aggregate, but claims
9 that went through their plan system.

10 It would include claims that
11 were paid outside the loss fund or
12 exceptions that would be kicked out in an
13 audit. So --

14 Q. And the people, when I say "the
15 people," you and Mr. Sullivan, Mr. Gatanti
16 were aware of that certainly throughout
17 2004?

18 A. Oh yah, yah.

19 Q. As the client, was the RCR report the
20 only report that you received from
21 BeneFirst?

22 A. Oh no.

23 Q. Let me finish the question.

24 A. I'm sorry.

1 Q. I know it's not the only report. Is
2 it the only report you received from
3 BeneFirst from which you could calculate or
4 even have any guesstimate as to what your
5 stop loss coverage would be?

6 MR. BRODIE: "You" meaning the
7 receiving -- the client --

8 A. Yah, the client, the client.

9 Q. Let me restate the whole question.

10 As a client, is the RCR report the only one
11 I received from BeneFirst which would
12 indicate to me what my stop loss insurance
13 might be?

14 A. I don't believe so.

15 Q. What other reports?

16 A. I believe that we did our own
17 in-house RLR, which is a Loss Ratio Report,
18 which would show a more accurate figure
19 because that would show a column for
20 specific reimbursements and you could net
21 that out.

22 Q. Let me stop you right there for a
23 second. First of all, do you know -- I'm
24 going to take them each one by one -- the

36

1 Loss Ratio Report, do you know if that was
2 provided to the clients, and if so, how
3 often?

4 A. It would have been done on a monthly
5 basis. And the report, if I remember
6 correctly, Maurie FitzGerald was their
7 service rep, and had been their service rep
8 for 20 years, and had continually provided
9 Aubuchon with her own report that they
10 liked to get that showed exactly where they
11 were throughout the course of the year.

12 Q. When you say "how they were," how
13 they were --

14 A. How the plan was running.

15 Q. And how they were moving towards the
16 excess coverage?

17 A. Yes.

18 Q. So you think -- this is a second
19 report now?

20 A. Yes, I mean it was very similar to
21 what we would typically do, but I think
22 Aubuchon had their own style of doing it
23 that she continued to do for them when she
24 came over to BeneFirst.

1 Q. We are going awfully fast here, so
2 let's you and I try to slow down.
3 The Loss Ratio Report, my first
4 question was do you know that was provided
5 to Aubuchon?

6 A. Through the normal course of business
7 it should have been provided to Aubuchon
8 every month.

9 Q. And you believe that Maurie
10 FitzGerald provided a separate report?

11 A. Yes.

12 Q. Any other reports from which the
13 client could make a determination of where
14 they stood for their stop loss coverage?

15 A. You know, essentially every report
16 would provide them with the information
17 that they would need to determine where
18 they are regarding their stop loss
19 insurance.

20 Q. How would it do that?

21 A. Every report shows exactly what was
22 paid that particular month or how much was
23 paid in a particular year. And they would
24 be able to look at that and say, Geez, this

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1 is what we've paid, and they could look at
2 their bank account and figure it out.

3 I mean it's not Rocket Science.
4 It's a checking account is really what it
5 is. And they could look to see what they
6 were paying out, what their cap was and how
7 it was running.

8 Q. Doesn't the RCR report, though, just
9 aggregate all of those reports into one
10 place?

11 A. Yes and no. I mean there's a lot of
12 information that's not included in the RCR,
13 but the information in the RCR is included
14 in all the other reports.

15 Q. I guess my point is that the numbers
16 that I would see as a client in the RCR
17 report would also be reflected in all these
18 other reports that we are talking about,
19 were they not?

20 A. Yes.

21 Q. So what in those other reports would
22 indicate to me that the RCR report was not
23 accurate?

24 A. A specific reimbursement in the ISA.

1 Q. What does "ISA" stand for?

2 A. That's an Individual Specific
3 Analysis.

4 Q. And your testimony is that those
5 dollars are not included in the aggregate
6 amount or should not be?

7 A. They should not be included in the
8 aggregate amount.

9 Q. This is you who I'm asking. Did you,
10 Charles Dobens, ever inform Aubuchon of
11 that fact?

12 A. Oh I believe -- to say me I would say
13 no, just because I didn't have that type of
14 relationship with Aubuchon.

15 Q. And what other information of these
16 other subsidiary reports, or these other
17 reports I should say, would I look at to
18 determine that the -- I have too many
19 reports in my head--

20 A. The RCR.

21 Q. -- the RCR does not or may not
22 accurately reflect my aggregate claim?

23 A. You know, I think another report that
24 would show it would be the -- well, the

40

1 easy one is the check register.

2 I mean they get that every
3 month, they look to see what comes in, what
4 goes out. And that clearly would show you
5 an actual net number.

6 And as a matter of fact, I do
7 remember in that meeting where we talked
8 about the \$400,000 claim with Marcus being
9 upset, Marcus looks at it and says, "But we
10 paid out this much money according to your
11 report."

12 And Kim MacMann said, "No,
13 actually Marcus, we didn't. If you look at
14 the check register you'll see we did only
15 pay exactly what BeneFirst is showing right
16 there. " But that's not what Marcus wanted
17 to hear.

18 Q. Let's talk about the check register
19 for a minute and how, you know, bills got
20 paid. You're familiar with that process,
21 right?

22 A. Yes.

23 Q. My understanding, you know, and as I
24 said, we have the benefit of Paul's

1 testimony yesterday, was that on a monthly
2 basis BeneFirst would send to Aubuchon
3 something called a "Check Edit Report" that
4 would show exactly what was due to be paid
5 on claims for that month, is that correct?

6 A. I don't believe it was monthly.

7 Q. Okay. How often do you think it was?

8 A. For a company the size of Aubuchon it
9 was either weekly or biweekly.

10 Q. My concern about that answer is that
11 you're working through it logically as
12 opposed to your memory.

13 A. Yes. But --

14 Q. Let me finish my question.

15 A. I'm sorry.

16 Q. And the reason is because you said
17 for a company the size of Aubuchon. What
18 we're talking about is specifically
19 Aubuchon.

20 And my question is specifically
21 do you know how often they received their
22 Check Edit Reports?

23 A. Specifically Aubuchon, no.

24 Q. Then you should say that just so we

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1 have a clean record.

2 A. But you were asking another question
3 that included the word "monthly," and I
4 couldn't answer that question because I
5 don't believe it to be monthly.

6 Q. My next question would be regardless
7 of how often it went, you do know
8 periodically BeneFirst sent that Check Edit
9 Report to Aubuchon?

10 A. Yes.

11 Q. And that report would show the amount
12 of money that Aubuchon needed to transfer
13 into an account so that the claims could be
14 paid?

15 A. Correct.

16 Q. And BeneFirst calculated that amount
17 and communicated it to Aubuchon in this
18 report, right?

A. Yes.

19 Q. And it calculated that amount based
20 upon the claims it had received during that
21 period of time, however long that was?

22 A. Correct.

23 Q. Then the next step in the process is

1 Aubuchon would then put that amount of
2 money into an account either by check or by
3 wire transfer?

4 A. Correct.

5 Q. Do you recall how they did it?

6 A. I do not.

7 Q. And that account was, the account
8 that the money was transferred into, in
9 whose name did that account stand?

10 A. I don't recall.

11 Q. At BeneFirst are there occasions in
12 which that account is in BeneFirst's name
13 and sometimes it's in the client's name?
14 Is it joint names, is it neither, if you
15 know?

16 A. You know, it was -- I don't recall.
17 I think it was every client had a different
18 setup. It really was based upon how the
19 client wanted it set up.

20 Q. So in this case, there was an
21 account. You don't remember whose name was
22 on the account?

23 A. That's correct.

24 Q. And from that account the claims were

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1 then paid?

2 A. Yes.

3 Q. And what was the process for paying
4 those claims, how did that happen?

5 A. I guess I'm kind of confused by
6 your --

7 Q. I'm pretty sure you didn't sit down
8 and write the checks, right?

9 A. Right.

10 Q. Was it automated?

11 A. Oh, everything was automated, yes.

12 Q. And so somebody at BeneFirst would
13 key in a payee and then amount and a check
14 would then be cut from that account?
15 That's what I'm trying to understand, the
16 process of paying the doctors.

17 A. It was very, very automated where the
18 Claims Examiner would get a claim in the
19 door, adjudicate the claim, it would be put
20 in the list, the line of claims to be paid.

21 At the end of that period when
22 we needed to get them the Check Edit Report
23 they would FAX it over, say we processed
24 \$20,000 worth of claims for this you week,

1 this month, whatever; fund your account.
2 They would say, Okay, our
3 account is funded; go ahead and release the
4 checks.

5 We would send a file to ABF,
6 ABF was the name of the company. And all
7 they did was print the checks, stuff them
8 in an envelope and mail them out the door.

9 We never touched a check. We
10 never had any checks docked in our office
11 and we never mailed any of them.

12 Q. ABF was a company that BeneFirst
13 contracted with for this service?

14 A. Yes.

15 Q. ABF had no direction relationship
16 with Aubuchon, correct?

17 A. No.

18 Q. How was ABF paid?

19 A. Per check I believe.

20 MR. BRODIE: I'm sorry, just so
21 we have a clean record, you said no to the
22 question there is no relationship between
23 ABF and Aubuchon. I think the answer is
yes, there's no relationship. It was a

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1 negative question.

2 THE WITNESS: Okay. I'm sorry.

3 A. There is no relationship between ABF
4 and Aubuchon, no.

5 MR. BRODIE: No, there is not?

6 A. No, there is no relationship.

7 Aubuchon wouldn't even know who ABF is.

8 Q. Because you never told Aubuchon that
9 that's how you were paying the bills?

10 A. Right, yes.

11 Q. And as far as Aubuchon knew,
12 BeneFirst was doing it directly?

13 A. Yes.

14 Q. What type of quality control did you
15 have in place to be sure that ABF was doing
16 their job accurately?

17 A. ABF -- well, when we started the
18 relationship with ABF it was through our
relationship with Trizetto and RIMS, where
they were actually the ones doing the
21 processing.

22 I don't recall exactly what the
23 Quality Control was for ABF, but a lot of
24 it was handled through Trizetto. ABF was a

1 preferred vendor of Trizetto.

2 Q. Did your relationship, BeneFirst's
3 relationship with ABF precede your
4 relationship with Aubuchon?

5 A. I believe, yes.

6 Q. Was ABF a party you used for other
7 clients or just Aubuchon?

8 A. On, every one, every one.

9 Q. So they were cutting the checks for
10 all of your clients?

11 A. Yes, we never touched a check, we
12 never mailed a check. It was all done
13 out-sourced.

14 Q. And again, was there some type of
15 monthly report that you would then get back
16 from ABF showing what they had done?

17 A. Oh, yes, we would get a file that we
18 would download off the system, store on our
19 server, and show exactly what claims-- we'd
20 get a picture of the claim, of the check
21 that went out and store that on our server
22 I believe.

23 Q. And who, if anybody, at BeneFirst was
24 doing this kind of check review to make

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1 sure that the right amounts were being
2 paid?

3 A. Paul Gatanti. And then on the other
4 side would have been someone in the Billing
5 Department. I cannot recall their name.

6 Q. I don't think I went through this
7 with you at that first deposition, so let
8 me just ask you a couple questions about
9 your experience pre-BeneFirst. When did
10 you start BeneFirst?

11 A. August of '99.

12 Q. And what were you doing just before
13 that?

14 A. I was working for Health Plans, Inc.

15 Q. And what did they do?

16 A. They were a TPA also.

17 Q. What did you do for Health Plans?

18 A. I was in sales for them. I think you
19 did ask me that.

20 Q. I'm sorry if I did. Did you know
21 Paul Gatanti then?

22 A. No, I did not, no. Our paths just
23 missed each other.

24 Q. How long were you with Health Plans?

1 A. Oh, I think about six or seven years.

2 Q. What was your first position with
3 them?

A. Sales the whole time.

5 Q. What did you do before Health Plans,
6 Inc.?

7 A. I worked for Penn General Service
8 Corporation.

9 Q. And what did they do?

10 A. They were a TPA

11 Q. And what did you do for Penn?

12 A. Sales.

13 Q. What did you do before that company?

14 A. I worked for Excess Health, which is
15 a stop loss insurance carrier.

16 Q. And again, what did you do for them?

17 A. Sales.

18 Q. Before that, Excess Health?

19 A. It was New York Life.

20 Q. Sales position?

21 A. Yes.

22 Q. And before that?

23 A. School.

Q. Where was school?

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1 A. Boston College.

2 Q. When did you get out of BC?

3 A. '86.

4 Q. Have you ever functioned
5 professionally as a claims adjustor?

6 A. No.

7 Q. Or claims examiner?

8 A. No.

9 Q. Have you ever had any training in
10 that area?

11 A. Nope.

12 Q. Did you have any supervisory
13 responsibility for any examiners in any of
14 your jobs pre-BeneFirst?

15 A. No.

16 Q. Did you take on any of that
17 responsibility at BeneFirst?

18 A. I supervised the supervisor. They
19 always had someone that oversaw the claims
20 examiner.

21 Q. Before Mr. Gatanti who was that?

22 A. I think her name was Barbara. I
23 can't remember her last name. And then
24 prior to that it was done in-house at

1 Trizetto.

2 Q. I just want to spend a couple minutes
3 on that. Let me just make sure I have my
4 chronology right. Trizetto, to my
5 understanding, had a product call RIMS?

6 A. Yes.

7 Q. And there was a time in which
8 BeneFirst contracted with Trizetto to do
9 the claims examination for them?

10 A. Right.

11 Q. So you basically out-sourced all the
12 claims examination?

13 A. That's correct.

14 Q. And is that how you started the
15 company in '99?

16 A. Yes.

17 Q. Were you familiar with Trizetto at
18 Health Plans?

19 A. No, because at the time I don't think
20 Trizetto existed.

21 Q. So this was a new relationship for
22 you professionally?

23 A. Okay, just from a chronology, when
24 you say Trizetto, at the time it was RIMS.

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1 Trizetto came along later on.

2 So to answer your question,
3 RIMS was the name known in the industry
4 back in '99, and not Trizetto.

5 Q. So 1999 when you formed BeneFirst you
6 contracted with RIMS to do the claims
7 examination and adjudication?

8 A. Right.

9 Q. And so you have didn't have then any
10 on-staff claims examiners?

11 A. Correct.

12 Q. At some point in time you terminated
13 that relationship and brought the claims
14 examination in-house?

15 A. That's right.

16 Q. When did that occur?

17 A. I want to say -- I want to say
18 September of '01.

19 Q. Do you recall first meeting the folks
20 from Aubuchon?

21 A. I don't recall the first meeting.

22 Q. Who was the salesperson responsible
23 for bringing Aubuchon into BeneFirst?

24 A. Paul Sullivan.

1 Q. And did you understand that Mr.
2 Sullivan had a prior relationship with the
3 Aubuchon folks?

A. Yes.

5 Q. And that was a relationship that
6 arose out of their prior TPA?

7 A. Yes.

8 Q. And Mr. Sullivan, was he a member of
9 the LLC at that time?

10 A. What time?

11 Q. When he brought in Aubuchon.

12 A. Yes.

13 Q. Did he form BeneFirst with you?

14 A. He was there at the beginning.

15 Q. Who was there at the beginning?

16 A. It was really just myself. And Paul
17 came on a month or so later, so --

18 Q. And did Maureen FitzGerald join you
19 shortly after that time?

20 A. No, no, no. She did not join us
21 until -- you see, I can't even recall when
22 she joined us.

23 Like, for instance, this
meeting that we're talking about, this

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1 October surprise meeting we will call it, I
2 can't remember whether Maureen was an
3 employee of BeneFirst at that time or
4 whether she was acting as a
5 broker/consultant for Aubuchon, because she
6 had all of those types of roles there,
7 so --

8 Q. So Mr. Sullivan had the relationship
9 with Aubuchon, correct?

10 A. Yes.

11 Q. Do you recall when the relationship
12 with Aubuchon started, the month or year?

13 A. I think it was July '01.

14 Q. My understanding is that when
15 BeneFirst was first attempting to get
16 Aubuchon as a client BeneFirst still had a
17 relationship with RIMS and/or Trizetto at
18 that time?

19 A. Yes.

20 Q. And I don't know if you were present
21 or not, but do you recall a meeting at
22 which folks from BeneFirst and Aubuchon
23 actually went out to RIMS and Trizetto?
24 And I believe it was in Chicago.

1 A. Yes. I knew that meeting took place.

2 To be honest with you, I don't remember if
3 I was there at that time for that meeting.

4 Q. But whether you were physically there
5 at that meeting or not, you'd agree with me
6 that initially BeneFirst was telling
7 Aubuchon that the claims examination
8 adjudication process was out-sourced to
9 Trizetto?

10 A. Right, correct.

11 Q. And that was the plan at that time?

12 A. Right.

13 Q. At BeneFirst, right?

14 A. Right.

15 Q. And you believe within several months
16 after that time period BeneFirst brought it
17 in-house?

18 A. That's correct.

19 Q. Did you, personally I'm asking you
20 this as Charles Dobens, did you have any
21 discussion with anybody at Aubuchon about
22 that change in process?

23 A. You know, that -- I believe I did. I
24 believe I spoke to Marcus Moran about that,

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1 which makes me kind of, you know, remember
2 the chronology of events for the
3 termination of Chicago and bringing it
4 in-house to Marshfield as being in
5 September of that year that we took
6 Aubuchon on.

7 So I had to kind of go explain
8 to Marcus, I know you went and saw them,
9 they told you a great story. We've decided
10 to bring everything in-house.

11 We're still using their system,
12 it's a great system, but now we've grown to
13 a certain level that it makes more sense
14 for us economically to bring everything
15 in-house and adjudicate the claims from
16 Marshfield.

17 Q. At this time prior to bringing it
18 in-house you had no claims examiners on
19 staff though, right?

20 A. That's correct.

21 Q. So who was responsible for going out
22 and hiring the claims examiners?

23 A. It was Denise Lynch and myself.

24 Q. Who was Denise Lynch?

1 A. She was really the first employee.
 2 She was the client service rep/account
 3 manager type of position.

Q. Was she a claims examiner by
 5 training?

6 A. She had, yes, she was.

7 Q. Do you know for who?

8 A. G.I.C.

9 Q. So Denise is somebody that would have
 10 been known to Aubuchon?

11 A. No, no.

12 Q. Okay. And who was the first claims
 13 examiner you hired?

14 A. All right. Let me just go back. She
 15 would have been known to Aubuchon.

16 Q. Do you know if Aubuchon knew Denise
 17 Lynch before they became a client of
 18 BeneFirst?

19 A. No, I don't believe they did.

20 Q. So my next question was who was the
 21 first claims examiner you had?

22 A. I tell you, I can't remember. I
 23 really don't remember.

Q. What did you do to qualify them as

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1 candidates and employees?

2 A. Really a lot of it had to do with
 3 references, their understanding of RIMS,
 4 giving them some sample claims to process
 5 on the system and see how they did doing
 6 that. Those are typically the things.

7 In that particular geographical
 8 area, there were a lot of claims examiners,
 9 a lot of TPA's, and a lot of people on the
 10 RIMS system.

11 And if you had been working on
 12 another vendors paying TPA you probably had
 13 the knowledge we needed and the expertise
 14 to come over and pay claims off of our
 15 system.

16 Q. You said geographic area, the South
 17 Shore?

18 A. Yes. TPA capital of the world.

Q. Why is that?

19 A. Because two guys, Gerry Anderson and
 20 Herb Hokinson started GIC back in 1975.

21 And from that one TPA grew
 22 about five or six other TPA's.

24 Q. Plus it's a nice place to live.

1 A. Yah, I don't mind it. That was a

2 good thing to come out of it.

3 Q. Was Aubuchon your largest client in
 4 terms of employees at that time in 2001?

5 A. Yes, I believe it was.

6 Q. Before you started BeneFirst did you
 7 have some concerns about your ability to
 8 transfer all of this work from a large
 9 employer like Aubuchon directly in-house?

10 A. No, I had full confidence in the
 11 systems that we had in place and we had --
 12 everyone in there had enough experience to
 13 be able to do something like that.

14 Q. Who built the Aubuchon plan at
 15 BeneFirst?

16 A. Built it -- I don't recall. Barbara
 17 Cope I think was her last name.

18 Q. What was her position?

19 A. She was our Claims Manager/Claims
 20 Supervisor.

21 Q. Do you know where she is today?

22 A. No idea.

23 Q. And what happened to her employment
 24 relationship?

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1 A. She was terminated.

2 Q. And when was that?

3 A. I don't remember.

4 Q. Why?

5 A. Why don't I remember?

6 Q. Why was she terminated?

7 A. She was a very sloppy worker I guess
 8 is the best way to describe it.

9 Q. Who terminated her?

10 A. I think Denise Lynch terminated her.

11 Q. Have you ever reviewed the Aubuchon
 12 Medical Plan?

13 A. Yes.

14 Q. As part of the case or during the
 15 relationship?

16 A. Do you mean that book right over
 17 there essentially?

18 Q. Yes.

19 A. Oh, as part of the relationship.

20 Actually I was there at the law firm up in
 21 Portland when they were designing the plan.

22 Q. Do you recall the law firm of Verril
 23 & Dana being involved?

24 A. Yes.

1 Q. I just want to talk a little bit
2 about the development of the medical plan.

3 A. Okay.

Q. What role did BeneFirst have in that?

5 A. I guess it could be called an
6 advisory role. We just kind of sat in the
7 meetings, and you know, listened to what
8 they were trying to do.

9 I mean their old plan document
10 was atrocious and just needed to be totally
11 thrown out and started all over again.

12 They hired this firm up in
13 Portland. She drafted a beautiful
14 document, it's a very nice, well-done
15 document.

16 Q. Had you worked with Verril & Dana
17 before?

18 A. No, never.

19 Q. When you took on any new client at
20 BeneFirst did there always have to be a
21 rewrite of the medical plan?

22 A. No. And typically we wouldn't do
23 that.

Q. Had you gone through a process like

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1 the one you did with Aubuchon with any
2 other clients before?

3 A. I would venture to say no.

4 Q. And at the time I meant.

5 A. No.

6 Q. So it was the first time you had gone
7 through the restructuring of a medical
8 insurance plan?

9 A. To that extent, yes.

10 Q. And who else at BeneFirst was
11 involved in these initial meetings and
12 discussions about building the medical plan
13 other than you?

14 A. I'm thinking that Paul Sullivan was
15 in the meeting.

16 Q. Did you have comments and suggestions
17 on some of the provisions and language?

18 A. Yes, I think we advised and discussed
19 from a claims processing standpoint how
20 some things should be worded in the plan
21 document.

22 But it was strictly for a
23 systems procedure so that if a claim came
24 in we could process that claim easily

1 without having to think about it and it
2 goes right out the door.

3 They had a provision in their
4 old document that required, it enabled-- it
5 required the claims examiner to think too
6 much.

7 Q. The way Mr. Gatanti explained it
8 yesterday was that the Medical Summary Plan
9 Descriptions are really the, I think you'd
10 use the term "the Bible" that the claims
11 examiner would utilize in determining
12 whether to approve, reject or further
13 investigate a claim. Do you agree with
14 that?

15 A. Let me just see if I can rephrase
16 what you said.

17 Q. Sure.

18 A. The plan document is the Bible. The
19 Summary Plan Description doesn't
20 necessarily include everything that a Plan
21 Document does, but in that particular case
22 they used the plan document as the Summary
23 Plan Description.

24 So in their case, that Summary

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1 Plan Description is also the plan document
2 and it is used as like the Bible.

3 Q. So that's why it was important for
4 the people at BeneFirst to be familiar with
5 it?

6 A. Yes.

7 Q. And you recall, we'll get into the
8 actual document in a little bit, but the
9 document has references to BeneFirst within
10 the document, does it not?

11 A. Yes, it does.

12 Q. At the time the plan document was
13 prepared it was already agreed to that
14 BeneFirst was going to be the third-party
15 administrator?

16 A. I believe so, yes.

17 Q. Were you involved in the negotiations
18 over the contractual relationship between
19 BeneFirst and Aubuchon?

20 A. Very little, if at all. I really
21 didn't -- I mean it was Paul Sullivan that
22 would handle all that.

23 Q. And he had the authority on behalf of
24 BeneFirst to negotiate those terms?

1 A. Yes.

2 Q. And was it BeneFirst's practice to
3 execute written agreements with its
4 clients?

5 A. Yes.

6 Q. Did you have just oral agreements or
7 were they all reduced to writing?

8 A. No, it was all in writing.

9 Q. And did you have a standard form
10 document that you used?

11 A. Sorry?

12 Q. A standard form contract that
13 BeneFirst used.

14 A. For?

15 Q. For its engagements with its clients.

16 A. Yes.

17 Q. Do you know prepared that?

18 A. I think I prepared it early on and it
19 became our standard form.

20 Q. Do you recall that actually for
21 Aubuchon there were actually two plans,
22 one for the distribution center and one for
23 the hardware chain?

A. Yes.

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1 Q. And BeneFirst was to be the TPA for
2 both plans?

3 A. Yes.

4 Q. And do you have a memory at one point
5 the distribution company's plan went away?

6 A. Yes.

7 Q. And do you recall why?

8 A. It was a Union issue. They went with
9 the Union plan. I don't think we could
10 touch the numbers.

11 Q. So they stopped providing the plan,
12 and therefore the TPA contract ended?

13 A. Right.

14 Q. And I'm sure you know this, that
15 nobody has been able to put their hand on a
16 signed TPA Agreement, are you aware of
17 that?

18 A. Probably, yes. Through the
19 discussions I've heard that, yes.

20 MR. BRODIE: Excuse me, off the
21 record.

22 (Discussion off the record)

23 Q. We haven't been able to find a signed
24 agreement. You would believe based upon

1 your memory and your experience that at one
2 point in time there was a signed agreement
3 with Aubuchon, is that correct?

4 A. Yes.

5 Q. You would find it highly unlikely
6 that this relationship would have gone on
7 for several years without a signed
8 agreement?

9 A. Based upon the relationships
10 involved, you know, I don't -- I wouldn't
11 say that. I think, you know, these guys
12 would operate on a handshake, Paul Sullivan
13 and Marcus Moran and that crew.

14 It doesn't mean that we would
15 at BeneFirst. But I mean that was our
16 contract and that's what we provided
17 services based upon.

18 Q. So let me say it to you another way.
19 As the representative of BeneFirst, frankly
20 the only party that can represent BeneFirst
21 here today, if somebody asked you what were
22 terms of the relationship between BeneFirst
23 and Aubuchon, you would look at that
24 written contract whether it was signed or

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1 not, is that fair to say?

2 A. That's correct.

3 Q. Stated another way, BeneFirst didn't
4 have any oral terms of an agreement with
5 Aubuchon different than the written
6 document?

7 A. Not to my knowledge.

8 Q. Do you recall in 2005, so after the
9 termination, and I think while you guys
10 were probably doing the run-out, several
11 requests coming from Aubuchon looking for a
12 copy of the signed agreement?

13 A. I don't recall.

14 Q. I'm going to show you a letter dated
15 August 2, 2005 that purports, at least it
16 says on its face, that it is from you to a
17 lawyer named Charlie Gelinis. I'm just
18 going to ask if you sent that letter and
19 you recall it.

20 A. (Reading document)

21 MR. BRODIE: Off the record for
22 a second.

23 (Discussion off the record)

24 Q. My question is do you recall sending

1 that letter?

2 A. I don't recall sending this letter,
3 no. And I have issues with this letter.
4 I'd like to -- if you had an original,
5 there's just certain things in here that
6 just kind of send up a red flag to me.

7 Q. Like what?

8 A. No signature. This first Duke,
9 Mrs.-- I mean it it's scanning, I mean we
10 have done scanning before, and I know Eric
11 said that scanning can do these things.

12 I just see so many things in
13 here -- when I was looking at this, you
14 know, a typo in the first section of
15 Section 1 of the contract.

16 I'm just -- I mean these are
17 just some of the things that I look at, and
18 I think, Jesus, this doesn't look right.

19 I mean it did essentially
20 inform, it's a similar-looking document to
21 our Administrative Services Agreement.

22 And this is-- you know, this
23 was a DC, so this didn't last very long.
So maybe this is a subsequent -- revisions

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1 of the A.S.A. would look differently.

2 But I don't remember writing
3 this letter. So --

4 But I mean this does looks like
5 our A.S.A. with a few things in here that I
6 have issues with so --

7 Q. Let's take them one step at a time.

8 MR. CIAVARRA: First of all,
9 let's mark this so we know what we're
10 talking about, as Exhibit 4.

11 (Exhibit 4, Letter to Atty.
12 Gelinas 8/2/05 with
13 Administrative Services
14 Agreement, marked)

15 Q. So my first question to you is, (1),
16 do you deny sending that letter?

17 MR. BRODIE: I guess I would
18 object. "That letter," meaning, is the
question here is this an accurate copy of
whatever was sent?

21 MR. CIAVARRA: I can break it
22 down in many ways.

23 Q. So my first question is, that
24 document in that form, do you deny sending

1 that?

2 A. Yes.

3 Q. Okay. Then we'll take it piece by
4 piece.

5 A. Okay.

6 Q. Do you deny sending a letter on or
7 about August 2, 2005 to Attorney Charlie
8 Gelinas attaching a copy of an A.S.A.?

9 A. Can I neither admit nor deny just
10 because I just don't recall?

11 Q. Do you recall ever receiving a
12 request from Attorney Gelinas for such a
13 document?

14 A. I believe I did.

15 Q. Did you ever send him a copy of the
16 A.S.A. you had on file?

17 A. If he had asked for one, I would have
18 done that.

19 Q. Okay. And what you can't tell us
20 today is whether or not that's actually the
21 letter and actually the document you sent,
22 is that fair to say?

23 A. That's correct.

24 Q. Okay. Now I'd like you to just turn

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1 to the actual agreement that's attached to
2 it. If you turn that to the first page.

3 A. Hold on one second. Do you have a
4 copy of his letter dated July 19?

5 MR. BRODIE: I'll look.

6 Q. We will just keep going. I'll come
7 back to it.

8 A. Okay.

9 Q. So turn to the agreement. Now during
10 the course of Sarah Arel's deposition your
11 attorney marked a document which he
12 indicated was an A.S.A. which they were
13 able to locate.

14 Let me show you that document.
15 It was marked as Exhibit 7 during the
16 deposition of Sarah Arel.

17 MR. BRODIE: I'll object to the
18 characterizaton of what representations
19 were made.

20 MR. CIAVARRA: Did I
21 mischaracterize it?

22 MR. BRODIE: I know we marked
23 it, but I don't know if we represented this
24 was anything more than what it was.

1 MR. CIAVARRA: I'll represent
2 for the record, you correct me if I'm wrong
3 here, that you guys have not produced any
4 other version of an A.S.A. Can we agree on
5 that?

6 MR. BRODIE: Maybe we should go
7 off the record on this.

8 MR. CIAVARRA: Sure.

9 (Discussion off the record)

10 MR. CIAVARRA: Back on the
11 record. I think we can agree, Counsel can
12 agree that the version of the A.S.A. that
13 I've put in front of the witness, Exhibit 7
14 to the deposition of Sarah Arel, is the
15 only A.S.A. that we have been able to find
16 that has Aubuchon's name on it. That's
17 correct, isn't it?

18 MR. BRODIE: "We" meaning?

19 MR. CIAVARRA: That anybody.

20 MR. BRODIE: Any party?

21 MR. CIAVARRA: That anybody has
22 produced in this case.

23 MR. BRODIE: I can agree to
24 that.

1 In the early Administrative
2 Service Agreements that we used we had
3 built in Performance Standards into the
4 Administrative Services Agreement. These
5 were the same Performance Standards that we
6 received from RIMS when they were
7 processing the claims. So we provided
8 those same standards to our clients.

9 As time went on and the HIPPA
10 laws came about, to be compliant with
11 HIPPA, these Performance Standards really
12 became null and void.

13 Essentially, if we lived up to
14 them, we would be violating HIPPA, meaning
15 because HIPPA was more stringent than what
16 our Performance Standards were.

17 So we just took them out.

18 So in subsequent A.S.A.'s you
19 would not see that Performance Standards
20 section. That's the most blaring one that
21 I see.

22 Q. And you believe it's in Section?

23 A. Section 6, page 5. The whole
24 section.

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1 Q. So my question to you is, let's go
2 back to the witness now.

3 A. Keep it up, boy.

4 Q. Are you aware of any other agreement
5 other than the one that's been put in front
6 of you, either as attached to Exhibit 4 or
7 as in reference in Exhibit 7 to the Sarah
8 Arel deposition, between Aubuchon or
9 Aubuchon Distribution and BeneFirst?

10 A. Yes, there would have been another
11 document. Maybe two other ones.

12 Q. Do you have any memory, actual memory
13 of the terms of that written document being
14 in any way different than the exhibits put
15 in front of you now?

16 A. Yes.

17 Q. And what is your memory?

18 A. Well, the one for the hardware store
19 would not have said Distribution Center.
20 So that would have been another agreement.

21 Q. Right.

22 A. And then, which was brought to my
23 attention, which was Section 6, Performance
24 Standards.

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1 Q. Exhibit 7 to Sarah Arel's deposition
2 in 6(b), it still has Performance
3 Standards, does it not? Does your copy
4 have that as well?

5 A. This one does, yes.

6 Q. Okay. And this document has a date
7 on it of August 2, 2005?

8 A. Yes, that would have been when it was
9 printed off.

10 Q. Okay. Because again, this is for the
11 Distribution Center, which we know ended
12 several years earlier.

13 A. Right, right.

14 Q. I guess what I'm trying to understand
15 is the Performance Standards that are set
16 forth in the two documents that we are
17 looking at in 6(b), you're telling me that
18 these were in the document in its initial
19 form or in its later form?

20 A. In its initial form.

21 Q. And do you know when they were
22 removed?

23 A. I do not know when they were removed.

24 Q. So there was a time in which these

1 Performance Standards were in place in the
2 relationship between BeneFirst and the two
3 Aubuchon companies?

A. Yes, correct.

5 Q. And you believe at some point if
6 another document were signed, that it would
7 eliminate that language?

8 A. Yes.

9 Q. And again, do you know whether or not
10 new agreements were signed every year?

11 A. They -- we wanted them signed every
12 year. They did not need to be signed
13 every year. There's no termination date on
14 the A.S.A.

15 And Paul and Maureen weren't
16 necessarily always stringent in getting
17 things signed.

18 Q. Okay. We had started talking a
19 little bit about the plan built for
20 Aubuchon, which you told me was Barbara
21 Cope was the person who was initially
22 involved in doing that?

23 A. Initially, yes. No, actually, I take
that back. If this plan came over from

1 Trizetto, Trizetto would have done the plan
2 build.

3 Q. What makes you think the plan came
4 from Trizetto?

5 A. It doesn't come from Trizetto. What
6 I mean is that when we took it over, took
7 it away from them, Aubuchon was already a
8 client. We were already processing claims
9 on Aubuchon's plan. And that was in July.
10 And we were still with Trizetto and they
11 were doing all the plan billing out in
12 Chicago.

13 Q. I guess what I want to know is, is
14 that your memory of how the plan was built
15 or are you working your way through it
16 logically?

17 A. Oh, well, I know that we would not--
18 under those circumstances at that timeframe
no one was in our office to be able to bill
the plan.

21 So logically, yah, I mean I
22 can't say that Barbara Cope did it
23 because --

24 Q. So your best memory is that whatever

1 program was necessary for the computer
2 system to be able to work and to do the
3 claims examination was built by Trizetto?

4 A. Correct.

5 Q. And then when you brought the claims
6 examination in-house did you enter some
7 type of a license agreement with Trizetto?

8 A. Yes.

9 Q. And for that you got access to their
10 software?

11 A. Yes.

12 Q. And also all of the plan build
13 documents?

14 A. Yes.

15 Q. So that after that transaction you
16 were able to do in-house what Trizetto was
17 doing in Chicago?

18 A. Correct.

19 Q. What training, if any, did your
20 claims examiners get from Trizetto when you
21 hired them?

22 A. We had a staff of three people come
23 in from Chicago. And before they would
24 allow us to take over the system, we had to

1 buy their training program. It was like
2 \$16,000.

3 And we had three people come in
4 for a week and just go through a whole
5 entire training program for all of our
6 staff on how to do every aspect of the
7 system.

8 Q. All right. Turning your attention to
9 the agreement referenced on Exhibit 4.
10 Okay?

11 This Administrative Services
12 Agreement is a form that was created by you
13 and by BeneFirst?

14 A. Yes.

15 Q. And there would be whatever changes
16 done on a per client basis made within the
17 document?

18 A. Yes.

19 Q. Let me ask you in the years that you
20 worked in this field did you become
21 familiar with a concept of a fiduciary
22 within health care plans?

23 A. Yes.

24 Q. And what's your understanding about

1 what is a fiduciary?

2 A. Well, I mean the way we always talked
3 about it, you have a big F and little F
4 fiduciary.

5 And the big F was really the
6 plan sponsor, the one who was in charge of
7 everything. They're the ones that had to
8 follow the ERISA guidelines and the ERISA
9 laws. That's their responsibility.

10 We were a claims administrator
11 or benefits administrator. We were nothing
12 more than a vendor to a plan sponsor or a
13 fiduciary of a plan.

14 We did not have discretion over
15 the plan, we couldn't make decisions as to
16 what benefits were provided to people.

17 We just had to follow that
18 Bible, that plan document, and make sure
19 that we paid claims accordingly.

20 Q. So that would be a little F?

21 A. That would be a little F, yes.

22 Q. And the little F standing for
23 fiduciary?

A. Yes.

1 Q. When you were operating BeneFirst did
2 you consider that you had a fiduciary duty
3 to the plan?

4 A. We had, as a provider of services to
5 a client, a fiduciary responsibility to
6 that client. We did not have a fiduciary
7 role to the plan.

8 Q. And who was the client?

9 A. The Plan Administrator.

10 Q. The reason I said that, I'm looking
11 at the document that you guys prepared and
12 it identifies BeneFirst as the plan
13 administrator, does it not?

14 A. Yes, it does. But in subsequent
15 documents we changed that to Claims
16 Administrator.

17 But for all intents and
18 purposes, if you look at the definition of
19 what we performed for them, it was the same
20 thing as a Claims Administrator.

21 If you look at the plan
22 document, I think one of the reasons why we
23 changed that was because I believe the plan
24 document for Aubuchon said use both plan

1 sponsor and plan administrator, meaning
2 Aubuchon, and not BeneFirst.

3 Q. As I look at the Plan Document and
4 identify it, and we can agree or disagree
5 with this, the plan administrator is
6 Aubuchon, for example, on the Aubuchon
7 plan, but then said that all the
8 responsibilities and duties of plan
9 administrator would be contracted with
10 BeneFirst. Is that how you read it?

11 MR. BRODIE: Objection.

12 A. Yes.

13 Q. And that certainly was the intention?

14 A. Right, that's how they, right, that's
15 how everyone understood it.

16 But as I said, just by your
17 description, it was an out-sourced service
18 to a third party, but they would never pass
19 on that fiduciary role by doing that to us.
20 We would have never accepted it.

21 Q. You're not suggesting there was any
22 discussion about that, are you, or are you?

23 A. Well, I think we always had to bring
24 it back to the clients to say, Hey, guys,

1 it's your plan. You tell us how you want
2 to administer it.

3 You know, those, we would get
4 questions from Marcus all the time as to
5 Hey, can I do this, can I do that.

6 And we'd always advise him,
7 like, we'll do whatever you want, you're in
8 charge of the plan. But I mean we have to
9 go by what the plan document says.

10 Q. You knew Aubuchon was not, there was
11 nobody at Aubuchon trained in claims
12 administration, was there?

13 A. No, not that I am aware of.

14 Q. You knew that they were relying on
15 BeneFirst to do that?

16 A. For claims processing.

17 MR. BRODIE: Note my objection.

18 Q. Claims processing?

19 A. Yes.

20 Q. You knew that they were relying on
21 BeneFirst to do the claims adjudication?

22 A. Exactly, yes.

23 Q. And to the extent there were
24 decisions that had to be made in connection

1 with that adjudication, they were
2 depending on BeneFirst to make those
3 decisions?

MR. BRODIE: Objection.

5 A. When you say decisions, I just want
6 to make sure we are on the same page here.

7 I mean there are tens of
8 thousands of decisions that are made on a
9 monthly basis when adjudicating claims for
10 the size of a company of Aubuchon.

11 I mean those decisions are just
12 simple snap-snap, you know, a lot of times
13 a computer is the one that makes that
14 decision and that's it.

15 Things outside of the system
16 are decisions that we would never have
17 made. We would always have asked for
18 permission from the client or given advice
19 to the client and wait for their response.

20 We would never have adjudicated
21 claims outside of the terms of the plan
22 document without the permission of the
23 client.

Q. But whether or not something was

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1 within or without the plan document, it's
2 something that a claims examiner would have
3 to consider on a daily basis, isn't that
4 true?

5 A. Yes, absolutely.

6 Q. And they would, you're not
7 suggesting, are you, that on a daily basis
8 your claims examiners were calling somebody
9 at Aubuchon and asking Aubuchon, somebody
10 at Aubuchon, whether something was within
11 or out of the document?

12 A. On a daily basis, no, I wouldn't say
13 it's on a daily basis.

14 Q. But on a daily basis the claims
15 examiners were making those decisions of
16 whether or not a particular claim fell
17 within or without the plan?

18 A. Within or without, outside of the
19 parameters of the plan that the fiduciary
20 had given to us to adjudicate based on.

21 Q. And who was relying on you to
22 adjudicate?

23 A. Exactly.

24 Q. Can you think of any instance as you

1 sit here today where Aubuchon asked you for
2 advice in connection with something on the
3 plan and BeneFirst provided that advice and
4 Aubuchon didn't follow it?

5 MR. BRODIE: Note my objection.

6 A. You know, it's been so long. I can
7 think of one that comes to mind that Marcus
8 wanted to do. The story was that he wanted
9 to pay for Gerry Archambeault's handicapped
10 van through the plan.

11 And you know, that was the type
12 of request we would get from Marcus. I
13 mean there was a lot of other exceptions,
14 too, that we had to make for Aubuchon as
15 well.

16 And you know, we would always
17 say that we'll do whatever you want, but
18 it's not going to be covered by the plan,
19 I mean it's not going to be covered by the
20 stop loss carrier. And they knew it. You
21 know, they were very interactive in their
22 plan.

23 Q. So I'm going to talk about, my
24 question to you is was there a situation in

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1 which BeneFirst provided advice concerning
2 the plan to Aubuchon and Aubuchon didn't
3 follow it.

4 Is it your testimony that
5 somebody at BeneFirst told Aubuchon that
6 this handicapped van was not covered by the
7 terms of the plan?

8 A. Yes.

9 Q. And who did that, if you know?

10 A. I don't know, but it's not, it
11 wouldn't have come down the way you've just
12 described it. It wouldn't have been
13 presented as a claim.

14 It would have been presented to
15 us by Marcus or Sarah saying, "Hey, Gerry
16 needs a handicapped van. Marcus really
17 wants to do it for him. Can we pay it
18 through the system?"

19 I mean that's an extreme
20 example that I always remember as the type
21 of employer that Marcus was.

22 There were other cases. I
23 can't recall, I'm sure if we started going
24 through names and stuff, I'd start

1 recalling some of the situations,
2 individual situations.

3 Q. But I think we are mixing up
situations. What I hear you describing to
4 me is something that Paul Gatanti talked
5 about, which is the payment of benefits
6 outside of the loss, the aggregate loss?

7 A. The stop loss contract?

8 Q. Right.

9 A. Yes.

10 Q. Because ultimately all this money in
11 the plan is Aubuchon's money?

12 A. Yes.

13 Q. It's a self-funded plan?

14 A. Right.

15 Q. And the only issue becomes whether or
16 not it's going to be utilized to trigger
17 the excess coverage, right?

18 MR. BRODIE: Objection. You
19 can answer.

20 Q. In terms of whether or not a claim
21 gets paid or not?

22 A. Right, okay.

23 Q. So what Paul described, Paul Gatanti

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1 described was that from time to time there
2 would be benefits Aubuchon wanted to
3 provide to its employees that would be paid
4 outside of the loss funds. Do you recall
5 that?

6 A. Oh, yah, yah.

7 Q. And that was okay because it wouldn't
8 capture it in a way that couldn't be used
9 to trigger the stop loss insurance, right?

10 A. Yes.

11 Q. And for example, this handicapped van
12 situation you're talking about would be one
13 such situation?

14 A. Exactly.

15 Q. And I hear those and I heard about
16 those yesterday. And what I'm asking is
17 something different than that.

18 Is there a situation in which
19 BeneFirst provided some advice with respect
20 to the plan with respect to whether
21 something was covered or not covered with
22 respect to administration of the plan, or
23 any function that BeneFirst was involved
24 in, that Aubuchon did not follow.

1 And I understand it was years

2 ago.

3 A. Yah, I can't recall specifically.

4 MR. BRODIE: I will just object
5 to the lack of foundation on that. I'm not
6 sure that that's been established.

7 Q. Okay. You understood that part of
8 the responsibilities of the claims examiner
9 was to take a look at the claims that came
10 across the desk and to determine whether or
11 not there might be other people responsible
12 to help pay for that claim?

13 A. Oh, yah, yah.

14 Q. And that might be other insurance?

15 A. Yes.

16 Q. It might be somebody who caused an
17 injury that there be a subrogation claim
18 against?

19 A. Yes.

20 Q. And you understood that your people,
21 your claims examiners, would have to make
22 that determination in the first instance?

23 A. Yes.

24 Q. And for example, that might require

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1 some investigation on their part, right?

2 A. Yes.

3 Q. Did you believe that your people in
4 2004, your claims examiners, had sufficient
5 training in order to make those decisions?

6 A. Yes.

7 Q. Now those decisions of whether or not
8 to investigate co-insurance or to
9 investigate maybe a third-party who caused
10 the injury, there's nothing in the plan
11 that tells you how to do that, is there?

12 A. How to do it?

13 Q. Or I should say whether and when to
14 do it.

15 MR. BRODIE: Note the
16 objection.

17 A. Yes, there's wording in the plan, I
18 believe, that would talk about those types
19 of things. I mean that's why we did it.

20 Q. Go ahead.

21 A. There are some plans that don't have
22 a coordination of benefits provision.

23 There are some plans that don't
24 have a subrogation provision.

1 So would we search for
 2 subrogation? No. Why would we? The plan
 3 doesn't require us to search out
 4 subrogation.
 5 So if we looked for those
 6 things, the reason why we looked for them
 7 was because the plan document required they
 8 were investigated.
 9 Q. Let me be more specific. The plan
 10 would tell the claims examiners to look for
 11 those things because they're covered in the
 12 plan, whether there's a right to offset
 13 because of co-insurance, reduction in
 14 benefits, for whatever reason.
 15 But the actual mental process
 16 that the claims examiner would go through
 17 to figure out who do I call, where do I
 18 look, you know, what investigation do I
 19 undertake, that's not described in the
 20 plan. Would you agree with that?
 21 A. That's correct.
 22 Q. Did you have at BeneFirst any other
 23 written materials or, you know, procedures
 24 or guidelines for your claims examiners to

1 follow either in pursuing subrogation
 2 claims or co-insurance?
 3 A. Well, I believe that Paul Gatanti was
 4 working on and created a policy manual for
 5 the employees, for the claims examiners.
 6 Q. Do you know if that ever got to the
 7 point of being finished and used?
 8 A. I don't believe it was. But I
 9 believe that Paul trained everyone when
 10 they came on board and to how he wanted
 11 things done.
 12 Q. There's, you may recall this from
 13 your review of the initial audit that was
 14 done for the excess carrier, that some of
 15 the over-payments were attributed to
 16 ineligible participants. Do you recall
 17 seeing that?
 18 A. I believe I saw that, yes.
 19 Q. And questions of eligibility. When a
 20 claims examiner receives a claim for any
 21 particular individual, how would they know
 22 whether or not that person is eligible for
 23 coverage?
 24 A. The claims examiner?

1 Q. Yes.
 2 A. It would be noted in the system as to
 3 whether that person, where that person
 4 falls in the category, you know, eligible
 5 or ineligible. So the system would tell
 6 the claims examiner.
 7 The claims examiner does not
 8 have the ability to change eligibility.
 9 Q. So they would plug in, I think Paul
 10 said typically the Social Security Number
 11 into the computer. Is that your
 12 understanding?
 13 A. Yes.
 14 Q. And then that person's name and
 15 profile would pop up if they were an
 16 eligible person. Is that your
 17 understanding?
 18 A. Yes.
 19 Q. And presumably if there was no
 20 records of that person, then there would be
 21 no claim process for that person?
 22 A. Or no record, or if they had a
 23 terminate date prior to the date of the
 24 service in the claim, we wouldn't

1 adjudicate the claim.
 2 Q. What was the responsibility of a
 3 claims examiner when they would receive a
 4 claim and there would be no records of a
 5 person being an eligible participant?
 6 A. The claim would be denied.
 7 Q. They wouldn't check with somebody
 8 else to find out if there's a pending
 9 eligibility form?
 10 A. No, because by the time a claim got
 11 to an examiner, I mean that person should
 12 be in the system somehow.
 13 Q. In connection with administering the
 14 Aubuchon plan, if BeneFirst authorized
 15 payments for claims that it shouldn't have
 16 that were not proper payments, they were
 17 not covered claims, do you believe that
 18 BeneFirst is responsible for that
 19 financially back to Aubuchon?
 20 MR. BRODIE: Objection.
 21 A. No.
 22 Q. Why not?
 23 A. It's not our money. If it was paid
 24 out incorrectly, typically a doctor's

1 office would send it back to us and it
2 would go back in as a refund to the plan.
3 You have to understand why the claim was
paid incorrectly.

5 We're not the insurance
6 company. We're just a record keeper for
7 the plan.

8 And with any plan you're always
9 going to have claims that were paid
10 incorrectly. Should we be responsible for
11 those financially? Absolutely not.

12 Q. So who should be responsible for
13 those inappropriate payments?

14 MR. BRODIE: Objection.

15 Q. Is it your position that the plan has
16 to absorb those costs?

17 A. No. The plan should not absorb those
18 costs. If a claim was paid incorrectly to
19 a provider --

20 Q. "If a claim was paid incorrectly?"
21 You said "claim." You meant a claim,
22 right?

23 A. The plan should not. I spoke
correctly. Initially I was talking about a

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1 plan.

2 Now I'm saying if a claim was
3 paid incorrectly, we just go back and get
4 the money back from the provider.

5 Q. Has BeneFirst done that on behalf of
6 Aubuchon for any of the claims that were
7 paid inappropriately?

8 A. Yes.

9 Q. Do you believe you've done it for all
10 claims that were paid incorrectly?

11 A. I don't believe that -- I believe
12 that the extent, from what I see from your
13 audits, to think that we paid that much out
14 incorrectly is -- I mean it just goes to
15 show you.

16 Doctors' offices do not keep
17 money that is not theirs. If they get an
18 over-payment or something was paid
19 incorrectly, they turn around and they send
20 it back.

21 I mean if they get audited by
22 Medicare or Medicaid, and they've got this
23 money on the books, they're in big trouble.

24 Doctors' offices do not collect

1 money and say "Yippie-yah-hoo, Aubuchon
2 paid more than what they were supposed to;"
3 they send the money back.

4 That's why on every one of
5 those Check Edits we sent to Aubuchon you
6 you can go back there and see refunds. It
7 happened every month.

8 When you're sending out that
9 many checks, you're going to pay some
10 things incorrectly. And you can go back
11 and look at the Check Edits form and see
12 that yes, every single month we got
13 refunds.

14 Now you're claiming that
15 there's so much more out there, millions of
16 dollars of claims paid incorrectly that
17 some doctor's offices are sitting on.

18 We didn't take the money. All
19 those claims were paid out to a provider.

20 They're not sitting on that
21 money thinking that they've got a windfall.
22 I mean that money would have come back and
23 would have been returned back to Aubuchon.

24 So you know, to think that it's

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1 our responsibility, yes, we can go out and
2 help find that money, but the money isn't
3 there. The money was paid correctly.

4 Q. Where would the money be refunded
5 back to if the money had been billed
6 incorrectly?

7 A. Back to BeneFirst.

8 Q. And after BeneFirst was terminated in
9 January of '05, what record-keeping --
10 January of '05 when Aubuchon terminated
11 BeneFirst--

12 A. Yes.

13 Q. When refunds would come in what did
14 BeneFirst do with those funds?

15 A. We would have deposited them either
16 into the Aubuchon if it was still active or
17 we would have just turned around and cut
18 them a check and sent it back to them.

19 Q. And who was responsible for doing
20 that?

21 A. Linda Hart and that woman whose name
22 I couldn't remember before.

23 Q. And how about after the runoff period
24 of time when the relationship was totally

1 over between BeneFirst and Aubuchon, what
2 would happen then if any refunds came in?
3 A. Everything would have gone back to
4 Aubuchon. We did not hold on to anyone's
5 money.

6 Q. Do you personally have any
7 explanation, therefore, for the audit which
8 indicates that, like you said, millions of
9 dollars was overpaid?

10 A. Yes, it's hogwash. I look at the
11 first audit with Northshore, and that's
12 more indicative of exactly what a typical
13 claims-paying process was.

14 They came in, they sat in our
15 offices, we gave them everything they
16 wanted. They adjudicated, they audited the
17 claim, and it came back and kicked out
18 about \$2,000 of claims on the aggregate
19 report.

20 Then they come back and say,
21 Well, you guys want to see 3,000 claims we
22 couldn't find because of the shutting down
23 of BeneFirst and the change of the systems,
we couldn't find so many claims, that does

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1 not mean that those claims were paid
2 incorrectly.

3 If they were paid incorrectly
4 there would be a flood of money coming back
5 from providers' offices, or in the
6 contrary, there would be providers' offices
7 screaming at Aubuchon saying, "Hey, you
8 paid this claim incorrectly. Pay it
9 right." And those calls never came in.

10 So there's an arbiter here,
11 third-party arbiter here, that being the
12 providers' offices and the doctors' offices
13 saying, Hey, you guys screwed up.

14 And they're not making the
15 calls to us or they weren't, and I don't
16 think Aubuchon has gotten any either.

17 Q. Who is Cheryl MacCloud?

18 A. She was the stop loss -- claims
adjustor or claims examiner for BeneFirst.

19 Q. Was she competent at her job?

20 A. Yes, she was good, yup.

21 Q. So if Cheryl was to indicate that
22 there were \$230,885 of ineligible charges
23 that were paid, you'd find that credible?
24

1 A. I don't know what you're referring
2 to.

3 Q. I'm going to show you. If she came
4 to that conclusion, your first reaction is
5 that that's a credible position?

6 A. No, I do not hold that to be a
7 credible position.

8 Q. And what about her would lead you to
9 believe that she would not be credible in
10 that regard?

11 A. I don't know exactly the context of
12 what you're reading from so --

13 Q. There's a different question. My
14 question is what about her would lead you
15 to believe that she could be wrong about
16 that? Is it her training, her education,
17 her experience?

18 MR. BRODIE: Objection.

19 A. No. I think it's the way that you're
20 reading that Email and maybe the way she
21 worded it was not properly descriptive of
22 the situation.

23 Q. Maybe. We're going to get to it.

24 A. Okay.

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1 Q. My question was different than that.
2 My question was if she said there was
3 \$230,885 of ineligible charges that were
4 paid, is there anything about that
5 statement or her that would lead you to
6 believe that not to be credible?

7 A. On her, no, no.

8 Q. Okay. So let's get to the statement.

9 MR. CIAVARRA: Okay. Mark
10 this. This is an Email from Cheryl to
11 Sarah Arel May 17, 2005.

12 (Exhibit 5, Email, marked)

13 Q. And feel free to read as much as you
14 want. I'm not going to ask you about
15 specific entries, but read as much as you
16 want.

17 A. (Reading document.) Okay.

18 Q. So the document we've marked as 5,
19 which is a copy of an Email with an
20 attachment, have you seen that before?

21 A. Have I seen this?

22 Q. Yes.

23 A. No, never.

24 Q. In May of 2005, that's the time

1 period in which Northshore was doing the
2 audit for the excess carrier, right, the
3 stop loss carrier?

4 A. What was the -- give me the year
5 again, Lou, for the end of -- they
6 terminated January 1, 2005?

7 Q. Yes.

8 A. Okay.

9 Q. So my question was this Email is
10 being written at the time in which
11 Northshore is conducting its audit for the
12 stop loss carrier, do you recall that?

13 A. No, I don't recall this.

14 Q. No, no. Okay. But do you recall--
15 I'm not being clear, I'm sorry.

16 After January of 2005, so after
17 Aubuchon terminated BeneFirst Northshore
18 came in and conducted an audit, right?

19 A. Okay.

20 Q. Well, do you recall that?

21 A. I did not know that they did it on
22 site. I just don't recall that. But it's
23 neither here nor there so --

Q. Let me show you a letter dated April

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1 8, 2005 from Northshore to Schnabel, and
2 see if you recognize that.

3 A. (Reading document) Okay.

4 Q. Just for completeness, mark that as
5 Exhibit 6.

6 (Exhibit 6, Letter from
7 Northshore, 4/8/05, marked)

8 Q. All right. First question on Exhibit
9 6, do you recall seeing a copy of that?

10 A. Yes, I believe I have seen a copy of
11 this.

12 Q. Before when I was asking you about
13 whether you had seen the audit that was
14 done by Northshore in connection with the
15 stop loss carrier when they were auditing
16 the prior year period of time you said you
17 had seen the audit you thought.

18 A. Right.

19 Q. Is this the document you had seen?

20 A. Yes, I believe it is.

21 Q. Just go to the first page again. So
22 what, if any, do you understand the
23 relationship is between the comments,
24 between Cheryl's comments on Exhibit 5 and

1 the Northshore audit reference in Exhibit
2 6?

3 A. (Reading document.)

4 MR. BRODIE: Read back the
5 question.

6 (The Reporter read record back
7 as requested)

8 A. I think that her comments are
9 referring to this.

10 Q. And the reason I'm going about all
11 this is because at one point you said in
12 response, it wasn't in response to a
13 question, you said that the Northshore
14 audit only indicated about a \$2,000
15 difference.

16 And as I read these documents,
17 it's hundreds of thousands of dollars.

18 A. Well, as I read these documents, I
19 obviously read them differently than you
20 do, this is, as it says right here in her
21 comments, that --

22 Q. Just so we know for the record,
23 you're referring to Exhibit 6?

24 A. Exhibit 6, yes. Let me see.

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1 "Although BeneFirst agreed with our
2 deductions for the most part, we welcome
3 the opportunity to review any additional
4 documentation that might be provided
5 regarding claims issues we have raised."

6 Then when you go back and you
7 look at the Worksheet Summary as to the
8 documentation and comments as to why these
9 claims are ineligible, I mean this is just
10 typical Aubuchon stuff.

11 I mean you look to see that,
12 case in point, like we were talking about
13 before, Gerry Archambeault, okay, \$11,000
14 or \$10,000 for a lift, a stair lift
15 elevator.

16 Of course that's going to be
17 denied, that claim.

18 But that \$10,000 gets added to
19 that 43 and makes us looks like the bad
20 guy.

21 You look at Dennis
22 Archambeault. And his address is different
23 than the employer's.

24 I mean Dennis Archambeault is

1 an eligible employee to the plan, always
2 has been. They know him. I personally
3 know Dennis Archambeault. I mean Sarah
4 Arel, Marcus Moran know Dennis. They all
5 know he's eligible for the plan.

6 We paid \$11,000 in claims
7 because they said this guy is eligible to
8 the plan.

9 An auditor steps in and says,
10 "Hey, you know, shame on you guys. You
11 should never have paid that claim."

12 Yah, that's an eligible claim
13 to the plan, but the stop loss carrier
14 coming in from their 30,000-foot viewpoint
15 looks at this and says, "That's not
16 covered. That gets tallied up into this
17 big number of claims that we paid
18 incorrectly. "

19 You know, look at this one up
20 here, I love this one, \$25,000 for Harley
21 Maples Holland. Coordination of Benefits
22 Notes -- Coordination of Benefits indicates
23 that this individual is the great niece of
the employee's wife.

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1 Well, yah, any auditor is going
2 to come in and say, "Hey, that person is
3 not eligible for the plan."

4 But Aubuchon is responsible for
5 the eligibility of the plan. It's their
6 responsibility.

7 So if they've given us
8 paperwork to make this person eligible to
9 the plan, that's their responsibility,
10 they're the fiduciary of all this money.

11 So if we cut a check for-- let
12 me just tell you, we cut a check for this
13 person for \$25,000, Marcus is going to know
14 about it. And he saw that and says yup,
15 yup, that's covered, that's fine.

16 But when you all go back and
17 look at it, yah, we look like we've done a
18 lousy job processing the claims, when
19 that's not the case at all.

20 I mean there were tons of
21 exceptions for Aubuchon. That's the way it
22 always had been. There was when they were
23 with G.I.C. They were with BeneFirst as
24 well.

1 Q. I just want to talk about the
2 eligibility issue for a second. The great
3 niece, Harley Holland Maples?

4 A. Yes, Harley Holland Maples.

5 Q. Yes. Is it your memory, if you have
6 any memory at all, of whether that person
7 was or was not an eligible participant in
8 the plan?

9 A. I have no personal knowledge
10 whatsoever.

11 Q. But I'm trying to put what you just
12 said into context. The determination up
13 front of who was an eligible participant
14 comes to BeneFirst from Aubuchon, correct?

15 A. Correct, yes.

16 Q. Okay. So you get eligibility forms
17 on a regular basis as people come and go
18 from the employee records, correct?

19 A. Yes.

20 Q. And you would, BeneFirst would get
21 any changes in that on a regular basis from
22 Aubuchon, correct?

23 A. Correct.

24 Q. If an employee gets married or has

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1 children?

2 A. Yes.

3 Q. There were forms that would be
4 provided to BeneFirst to update that
5 information, correct?

6 A. Yes.

7 Q. And you'd get that form from Aubuchon
8 and then BeneFirst would update the records
9 to reflect those changes?

10 A. That's right.

11 Q. What I heard you saying is
12 determining on the front end who is an
13 eligible participant begins with the
14 employer, right, and is communicating that
15 to you, the third-party administrator?

16 A. Correct.

17 Q. But when the third-party
18 administrator gets a claim for somebody who
19 who's not been listed as an eligible
20 participant, the third-party administrator
21 is the party in place of evaluating whether
22 that person's claim should be paid or not
23 in the first instance, is that correct?

24 A. That's correct. And to take --

1 Q. Well, you've answered my question.

2 A. Well, I can elaborate on it as well.

3 Q. I'm good right there.

MR. BRODIE: For the record,
4 there's more to that answer.

5 Q. That's why your lawyer is here to ask
6 you questions on cross if you want.

7 THE WITNESS: If I'm getting
8 crossed today, make note of that one.

9 BY MR. CIAVARRA:

10 Q. Had you, other than in connection
11 with Aubuchon, ever worked with the folks
12 at Northshore?

13 A. Yes.

14 Q. Had they done audits for other
15 clients?

16 A. I think one, maybe two other audits
17 for us.

18 Q. Did you have issues with those
19 audits?

20 A. Nope, nope.

21 Q. Did BeneFirst utilize the services of
22 any outside vendor or firm to assist in the
23 claims administration process?

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1 A. I guess the answer to that would be
2 yes, such as ABF. That was that
3 third-party.

4 Q. How about in the claims adjudication
5 process?

6 A. No.

7 Q. Earlier in the case we had this issue
8 with respect to getting documents and you
9 supplied some affidavits in connection with
10 document retention policy and search for
11 medical records, et cetera, that situation?

12 A. Yes.

13 Q. Can you explain or tell me why it is
14 that there were a number of the medical
15 records that everybody thought was going to
16 exist in electronic form stored somewhere
17 that BeneFirst hasn't been able to locate?

18 MR. BRODIE: Objection to the
19 form.

20 A. I can't recall. I can't answer
21 that. I don't know why that happened. It
22 was not obviously planned so --

23 Q. You testified the first time we met,
24 and Gatanti testified yesterday, that the

1 process was the paper medical records,

2 sorry, the claims, the bills that would

3 come in, would be retained for a period of
4 time and then scanned to be stored

5 electronically, right?

6 A. Right.

7 Q. And so that one would expect that all
8 the medical claims that came in on Aubuchon
9 would exist electronically somewhere,
10 right?

11 A. Yes.

12 Q. And I think when we first met you
13 expected them to be there?

14 A. Yes.

15 Q. And when you went back and searched
16 you found they were not?

17 A. We found some of them, but not all of
18 them.

19 Q. And you don't know why there were
20 missing records?

21 A. No, I do not.

22 Q. Let me show you a document Bates
23 stamped AUB-417 through 427 and ask you if
24 you recognize that.

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1 A. Yes, I do.

2 Q. Can you tell us what is that?

3 A. This is the sales proposal for
4 BeneFirst.

5 Q. So it's a standard brochure, so to
6 speak, that you would have available to the
7 prospects?

8 A. Well, standard with some of the
9 wording, but very client-specific,
10 prospect-specific for things like this.

11 Q. Is this the one for Aubuchon?

12 A. That's what it says, yes. Yes, it
13 looks to be the one for Aubuchon for a
14 particular year.

15 Q. Who at BeneFirst would have prepared
16 this?

17 A. This would have been Paul Sullivan.
18 Because it's his client, he would have put
19 this together.

20 MR. CIAVARRA: We'll mark this.
21 (Exhibit 7, AUB 417-427, Sales
22 Proposal, marked)

23 Q. I'm not going to ask you any more
24 questions about that one.

1 A. Thank you.

2 MR. CIAVARRA: Let's take a
3 two-minute break.

(Recessed)

4 Q. I'm going to ask you some questions
5 about Exhibit 1.

6 A. Okay.

7 Q. Which is the Notice of Deposition and
8 the topics to testify today. If you go to
9 Schedule A.

10 A. Yes.

11 Q. Item Number 1, the terms of any and
12 all contracts or agreements between the
13 Plaintiffs and BeneFirst.

14 Other than the two exhibits
15 that we saw that had a written A.S.A.
16 attached to it, do you have any other
17 information for us relevant to any
18 contracts or agreements between the
19 parties?

20 A. I think the only one that hasn't been
21 discussed that probably exists, but we
22 don't have it, is a Pharmacy Benefit
23 Manager contract, like typically a client

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1 would have a direct contract with the
2 Pharmacy Benefit Manager, the PBM on that.

3 Q. Well, is BeneFirst a party to that?

4 A. It would have been a three-party
5 contract.

6 Q. Other than, that anything else?

7 A. No.

8 Q. Number 2 is any and all facts
9 concerning the negotiation of contracts or
10 agreements between the parties. Did you
11 participate in those negotiations?

12 A. I really didn't.

13 Q. So do you have any information or
14 evidence for us on those negotiations?

15 A. I think you kind of nailed it with
16 that last sales item.

17 Q. That would have been the proposal
18 that came from BeneFirst that would have
19 led to the A.S.A.?

20 A. Correct.

21 Q. Just so we know what we're talking
22 about, that's Exhibit 7 I believe?

23 A. Yes.

24 Q. Okay. Number 9 asked for information

1 concerning insurance that may be available
2 in this case. Do you see that?

3 A. Yes.

4 Q. Okay. Do you know how much insurance
5 BeneFirst has available to it for coverage
6 in this case?

7 A. It's either \$1 million per claim and
8 \$3 million aggregate I believe.

9 Q. Does BeneFirst have other claims
10 against it right now now other than
11 Aubuchon?

12 A. No.

13 Q. So to the best of your knowledge,
14 Aubuchon's claims are the only claims
15 against that coverage?

16 A. Yes.

17 Q. Has BeneFirst settled any claims by
18 any clients in the past two years?

19 A. I want to say in that timeframe, no.

20 Q. How about any made in the three
21 years?

22 A. Yes, there was one claim --

23 MR. BRODIE: If there are any
24 confidentiality agreements or anything like

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1 that in place, I just want to caution you
2 to that.

3 A. I do not recall if there are any
4 confidentiality agreements in place. So
5 with that being said --

6 Q. Was there a lawsuit filed?

7 A. Yes.

8 Q. Who was the Plaintiff?

9 A. Northern Kingdom/Northern Kare. And
10 Kare is with a K.

11 Q. Were you the third-party
12 administrator for that?

13 A. Yes.

14 Q. And just in case there was a
15 confidentiality, so I won't ask you
16 specifics, did that settlement result in a
17 payment of money by BeneFirst?

18 A. Yes.

19 Q. Do you believe this was before the
20 sale of assets?

21 A. Geeze, I can't remember exactly when
22 it ended. It was pretty simultaneous with
23 the sale. Like I'm trying to picture where
24 I was working at the time, so I can't

1 recall.

2 Q. It's okay. Number 12 asks for facts
3 concerning contracts or agreements between
4 BeneFirst and third parties concerning
5 services to the Plaintiff.

6 Is the only third-party
7 contract we'd be looking for is the one
8 with ABF?

9 A. Well, there would be the one with
10 PBM.

11 Q. That's the Pharmacy Benefit?

12 A. Yes. That would be pretty much it.
13 And obviously the Trizetto contract.

14 MR. BRODIE: Off the record a
15 second.

16 (Discussion off the record)

17 Q. I was asking a question about
18 third-party contracts in connection with
19 services for Aubuchon. Is there another
20 one you wanted to add to that?

21 A. Yes. Another company is called
22 eclaimsscan, all one word, lower "e."

23 Q. And what did they do for you?

A. They scanned HCFA's, H-C-F-A, and

1 and when you finish looking it through

2 I'll ask you some questions about that.

3 A. (Reading document) Okay. All right.

4 Q. Just generally speaking what are
5 these documents?

6 A. These are COBRA Activity Notices,
7 monthly notices that we would send out to
8 Aubuchon telling them exactly where people
9 are in their process that we have on COBRA.

10 Q. How are these reports generated?

11 A. Pam Furlong would have this on her
12 EXCEL spread sheet and once every month she
13 would get changes to update these people
14 and she would make the changes for the next
15 month's claim, next month's report, and
16 then ship it off to Aubuchon, but also
17 update our system as well based upon the
18 person's status or change in status.

19 Q. Okay. Well, why don't we take a look
20 at an example on one of these reports with
21 the COBRA activity for September 2004. At
22 the lower right-hand corner of the page
23 it's marked AUB 4066.

24 Let's start at the top of that

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1 UB's, U-B, and those are all caps, claim
2 forms, and put them in an electronic format
3 for us.

4 Q. H-C-F-A?

5 A. Yes.

6 Q. At some point did you start doing
7 that in-house, the scanning?

8 A. Yes.

9 Q. So this is at a time period before
10 you had the capability to do it in-house?

11 A. Yes, that's correct.

12 MR. CIAVARRA: I'm all set.

13 Thanks. Do you have any?

14 MR. BRODIE: Yes.

15 CROSS-EXAMINATION

16 BY MR. BRODIE:

17 Q. I'm going to ask some questions about
18 Exhibit Number 10 from Sarah Arel's
deposition.

19 So could you take a look at
20 what I'm handing you now, which has
21 previously been marked as Exhibit 10 from
22 the deposition of Sarah Arel.

23 Would you just flip that over

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1 report. There's a section there that says
2 Notification Letters. Do you see that?

3 A. Yes.

4 Q. What does that tell us with regard to
5 Notification Letters?

6 A. That tells us that we received --

7 MR. CIAVARRA: Just one second.

8 What page are you on?

9 Witness: I'm on 4066.

10 MR. BRODIE: Yes. September
11 2004.

12 MR. CIAVARRA: 4066?

13 MR. BRODIE: Yes.

14 A. What this shows is that we sent out
15 in that particular month Notification
16 Letters of COBRA eligibility or COBRA
17 rights to these employees and it tells them
18 what their qualifying date is, meaning the
19 date that they became eligible for COBRA,
20 which could be a birth date, reaching age
21 21, could be a termination date, it could
22 be a couple other things as well in there.

23 Then the next column is the
24 Expiration Date. It says exactly at what

1 point their COBRA election period expires,
2 election period ends -- oh, I'm sorry,
3 Election Period Ends details what I just
described.

5 The expiration date is the
6 length of time that they have eligible to
7 be on COBRA, and typically it's 18 months.
8 But there are some circumstances when
9 someone's period could be longer than 18
10 months.

11 Q. What about that next section
12 underneath it, Coupon Letter? What's a
13 "Coupon Letter?"

14 A. Coupon Letters are the ones where
15 someone would have sent back a Notification
16 Letter accepting COBRA, and once they did
17 that we would then send them a coupon
18 letter saying okay, here are your 18
19 coupons.

20 This is the amount you have to
21 pay, send them in every month.

22 And then in that particular
23 month no one elected COBRA.

Q. When you say "send them in every

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1 month," what do you mean by "them?"

2 A. We gave them a sheet, eight and a
3 half by 11 page, with coupons for each
4 month that they're eligible for COBRA and
5 the amount of money that they would have to
6 pay. They would just tear off that
7 particular month with a check and mail it
8 to us.

9 Q. And "they" is who?

10 A. The terminated employee, the
11 COBRA-eligible employee or their
12 responsible party.

13 Q. So these are checks that were to be
14 sent to whom?

15 A. They would be sent to us. We would
16 receive them and deposit them, take our two
17 percent off the top, and then remit back to
18 Aubuchon the amount.

Q. That brings me to the next, actually
the bottom section of that where it says
21 COBRA Payments.

22 A. Yes.

23 Q. So this report for September 2004
24 what does it tell you with regard to COBRA

1 payments on that last section of this

2 report?

3 A. Well, that we received probably about
4 ten employees' payments and we did a whole
5 tally here, put down the gross premium,
6 took out our cut and then come up with a
7 net premium and then would have remitted
8 that net premium back to Aubuchon. Kim
9 McMann or Sarah typically handled this.

10 And it tells you exactly what
11 that particular employee did during that
12 month.

13 Q. So for example, under the Coverage
14 Continued column at that bottom part where
15 it says COBRA Payments, and it looks like
16 some examples of Single Medical and others,
17 Single Med/Dental.

18 A. That's right.

19 Q. And another one that says Family
20 Med/Dental and then finally there's a
21 Family Dental example, and a Single Dental
22 example.

23 Could you through and tell us
24 what those coverages are indicating?

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1 A. Well, this identifies for us
2 exactly -- first off, the left-hand column
3 shows the employee's name and their Social
4 Security number.

5 The Coverage Continued column
6 shows what the Single Medical. It says
7 that, for instance, S. Bedard has Single
8 Medical Coverage elected for his COBRA
9 continuation.

10 Then it goes through and says
11 he's got until, he's now paid up, he has
12 until the end of October before his
13 coverage expires. He's paid through 8/31.

14 So the gross premium, he owes
15 \$341 per month. We take our cut from that
16 premium that's the way it is across the
17 board.

18 So anyone with anything
19 differing would tell you that they have
20 different types of coverage for family or
21 they've opted to choose dental as well.

22 Q. Okay. The section right above that
23 says "Terminated COBRA." What is in that
24 section over there?

1 A. That tells us that in our system
2 these people, over the course of this month
3 these people have been terminated in the
system.

5 So in this case, Sam, I think
6 his name is Sam Bedard, we last received
7 his premium on August 31 and he's now
8 terminated in the system. This is a report
9 for September.

10 And as you can see, the next
11 section down, which shows what the COBRA
12 payments, it confirms that exactly. On
13 8/31 he's done.

14 Q. Now I'm going to ask you to take a
15 look at -- let's go back to a different
16 report dated April/02, which is AUB 4123.

17 I'm going to ask you to take a
18 look at that report, and when you're done
19 looking at it, let me know.

20 A. Okay. (Reading document)

21 Q. Is this the same kind of report? It
22 looks different than the one we were
23 looking at previously on AUB 4066.

A. Yes, essentially the same report.

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1 This looks like it was done on WORD, and
2 then we have an EXCEL document we created
3 to handle the same information.

4 Q. These reports, are they created in
5 the normal course of BeneFirst's business?

6 A. Oh yes, every month we do this for
7 all of our clients.

8 Q. What did you do with those reports
9 after they were created?

10 A. They were sent to the client, along
11 with the amount of the check. So they know
12 exactly what the check was there for.

13 MR. BRODIE: All right. Thank
14 you very much.

15 MR. CIAVARRA: A couple
16 follow-ups.

17 REDIRECT EXAMINATION

18 BY MR. CIAVARRA:

19 Q. It may be me, so help me understand
20 something. What's your understanding as to
21 the relevance of this document to this
22 dispute?

23 A. It kind of tells, once again, the
24 eligibility issue that we didn't want to

1 get into earlier.

2 That the client was very well
3 aware of who was on COBRA, who was being
4 termed, and we sent them a notification
5 every month as to, you know, what each
6 person's status was.

7 So I mean to that extent,
8 that's what I'm believing it would be.

9 Q. Nothing else in your understanding?

10 A. No. I mean that's really what it's
11 there for.

12 Q. Let me ask you about the flow of this
13 money. You said that, for example, on the
14 premiums that would come in?

15 A. Yes.

16 Q. That the money would go to BeneFirst?

17 A. Yes.

18 Q. Who were the checks payable to?

19 A. The checks would have been payable to
20 BeneFirst.

21 Q. And that's the direction, when you
22 send out the notification letter it tells
23 the insured to make the checks payable to
24 BeneFirst?

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1 A. Right.

2 Q. And BeneFirst would then deposit
3 those checks?

4 A. Into the COBRA escrow account.

5 Q. And then cut checks from that
6 account, which is a BeneFirst account,
7 right?

8 A. Yes.

9 Q. To Aubuchon?

10 A. Right.

11 Q. Okay. And send that check out to
12 Aubuchon?

13 A. That's right.

14 MR. CIAVARRA: No further
15 questions.

16 (Whereupon the deposition was
17 concluded)

18

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Excerpt from Rule 30 (e):

Charles T. Dobens

CASE NAME: W.B. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC., et al v.
BeneFirst, LLC

ERRATA SHEET

In accordance with the rules of procedure governing depositions, you are entitled to read and correct your deposition. Accordingly, please carefully read your deposition and, on this errata sheet, make any changes or corrections in form or substance to your deposition that you feel should be made. PLEASE DO NOT MARK THE TRANSCRIPT. After completing this procedure, sign at the conclusion of such changes/corrections (if any) and return it in accordance with your instructions.

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Charles T. Dobens

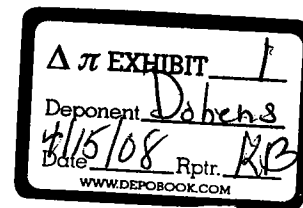
UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON
DISTRIBUTION, INC., W.E. AUBUCHON
CO. INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON
DISTRIBUTION, INC. EMPLOYEE
MEDICAL BENEFIT PLAN
Plaintiffs.

v.

BENEFIRST, LLC,
Defendant.

C.A. No. 05-40159FDS
(Louis M. Ciavarra. BBO# 546481)
(Ryan T. Killman BBO# 654562)
(Colleen E. Cushing BBO# 663498)



To: Stephen D. Rosenberg, Esquire
Eric L. Brodie, Esquire
The McCormack Firm
1 International Place – 7th Floor
Boston, MA 02110

RE-NOTICE OF TAKING DEPOSITION OF BENEFIRST, LLC

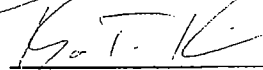
Please take notice, that the deposition by oral examination of **Benefirst, LLC** with regard to the topics specified in the attached **Schedule A**, will be taken pursuant to Rule 30(b)(6) of the Federal Rules of Civil Procedure before a qualified court reporter at the offices of Bowditch & Dewey, LLP, 311 Main Street, Worcester Massachusetts, at 10:00 a.m. on March 12, 2008 and thereafter by adjournment until the same shall be completed. Benefirst, LLC shall designate one or more officers, agents or other persons who can testify on its behalf with respect to the specific matters set forth in **Schedule A**.

You are invited to attend and cross examine.

Respectfully submitted,

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC.,
W.E. AUBUCHON CO., INC.
EMPLOYEE MEDICAL BENEFIT PLAN, and
AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN
(collectively "Plaintiffs"),

By Their Attorneys,



Louis M. Ciavarra (BBO#546481)

Ryan T. Killman (BBO#654562)

Colleen E. Cushing (BBO# 663498)

Bowditch & Dewey, LLP

311 Main Street

P.O. Box 15156

Worcester, MA 01615-0156

Telephone: (508) 926-3408

Facsimile: (508) 929-3011

Dated: February 26, 2008

CERTIFICATE OF SERVICE

I, Ryan T. Killman, hereby certify that on this 26th day of February, 2008 I have served the foregoing by mailing a copy thereof, postage prepaid, to the following:

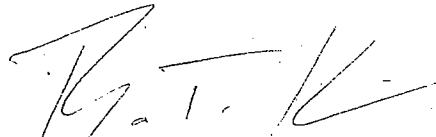
Stephen D. Rosenberg, Esquire

Eric L. Brodie, Esquire

The McCormack Firm

1 International Place – 7th Floor

Boston, MA 02110



Ryan T. Killman

SCHEDULE A

1. The terms of any and all contracts or agreements between Plaintiffs and Benefirst.
2. Any and all facts concerning the negotiation of contracts or agreements between Plaintiffs and Benefirst.
3. The process of providing reports provided by Benefirst to Plaintiffs.
4. Any and all facts concerning data or information provided by Plaintiffs to Benefirst.
5. Any and all facts concerning communications between Benefirst and any third-parties regarding services provided by Benefirst to Plaintiffs.
6. Any and all facts concerning methodologies or processes utilized by Benefirst to provide service to Plaintiffs.
7. Any and all facts concerning the contents of any and all communications, reports, or other documents that were communicated between Benefirst and any providers of medical services concerning or relating to Plaintiffs.
8. Any and all facts concerning audits conducted by third-parties of the services provided by Benefirst to Plaintiffs.
9. Any and all facts concerning all policies of insurance potentially providing coverage for Plaintiffs' claims.
10. Any and all facts concerning internal communications between and amongst agents of Benefirst relating to services provided to Plaintiffs by Benefirst.
11. Any and all facts concerning client complaints, comments, correspondence, and/or feedback that Benefirst received between January 1, 2000 and the present.
12. Any and all facts concerning contracts or agreements between Benefirst and any third-parties concerning services provided to Plaintiffs.
13. Any and all facts concerning the work experience and/or performance of any and all agents of Benefirst who provided services to Plaintiffs.
14. Any and all facts concerning the RIMS System used by Benefirst in connection with services it provided to Plaintiffs.
15. Any and all facts concerning the development and creation of an employee health benefits plan for Plaintiffs.
16. Any and all facts concerning the RPC reports created in connection with services provided to Plaintiffs.

17. Any and all facts concerning the claims files maintained by Benefirst relating to services it provided to Plaintiffs.
18. Any and all facts concerning claims processing errors committed by Benefirst in connection with its administration of Plaintiffs' claims.
19. Any and all facts concerning claims adjudication errors committed by Benefirst in connection with its administration of Plaintiffs' claims.
20. Any and all facts concerning overpayment of claims by Benefirst in connection with its administration of Plaintiffs' claims.
21. Any and all facts concerning underpayment of claims by Benefirst in connection with its administration of Plaintiffs' claims.
22. Any and all facts concerning the allegations in Plaintiffs' Complaint.
23. Any and all facts concerning the affirmative defenses alleged in Benefirst's Answer.

2

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VOLUME I

PAGES 1-123

2

EXHIBITS 7

3

4

UNITED STATES DISTRICT COURT

5

DISTRICT OF MASSACHUSETTS

6

7

W.E. AUBUCHON CO., INC.,)

8 AUBUCHON DISTRIBUTION, IN,)

W.E. AUBUCHON CO., INC.)

9 EMPLOYEE MEDICAL BENEFIT PLAN,) NO. 05-40159

AND AUBUCHON DISTRIBUTION, INC.)

10 EMPLOYEE MEDICAL BENEFIT PLAN,)

Plaintiffs)

11)

v.)

12)

BENEFIRST, LLC,)

13 Defendants)

14

15

16 DEPOSITION OF M. Marcus Moran, Jr., a
17 deponent in the above-entitled cause, taken before
18 Tracy A. Coffman, Notary Public in and for
19 Commonwealth of Massachusetts, pursuant to the
20 Massachusetts Rules of Civil Procedure, at the Law
21 Offices of Bowditch & Dewey, 175 Crossing Boulevard,
22 Framingham, Massachusetts, on Thursday, May 22,
23 2008, commencing at 10:11 a.m.

24

1 APPEARANCES

2

Ryan T. Killman, Esquire
 3 BOWDITCH & DEWEY
 311 Main Street
 4 Worcester, MA 01615
 508-926-3497
 5 Counsel on behalf of Plaintiff.

6

7 Eric L. Brodie, Esquire
 THE MCCORMACK FIRM, LLC
 8 One International Place
 Boston, MA 02110
 9 617-951-2929
 Counsel on behalf of Defendant.

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1 PROCEEDINGS

2

3 M. MARCUS MORAN, JR., first having
 4 been duly identified and sworn on oath,
 5 testifies as follows:

6

7 DIRECT EXAMINATION BY MR. BRODIE:

8 Q. Good morning, Mr. Moran, my name Eric Brodie,
 9 I represent BeneFirst in this matter entitled
 10 W.E. Aubuchon Inc., et al., verses BeneFirst,
 11 LLC. You're here pursuant to a Notice of
 12 Deposition that our office issued, is that
 13 right?

14 A. Yes.

15 MR. KILLMAN: Eric, before we get
 16 started, can we agree upon the usual
 17 stipulations?

18 MR. BRODIE: Yes, why don't we do
 19 that, before we get going. So the usual
 20 stipulations, we will reserve all objections
 21 until the time of trial?

22 MR. KILLMAN: Except to form.

23 MR. BRODIE: Except as to form, and
 24 how do you want to handle?

1 INDEX

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3 EXAMINATION: DIRECT CROSS REDIRECT

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5 By Mr. Brodie 4

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1 employees, keep it as cost effective as you
2 can, and that is all part of the decision
3 making process.
4 **Q. And again, without getting into the substance**
5 **of the conversations between Attorney Meeker**
6 **and yourself, or anybody else that was part**
7 **of your team, is it fair to say that at some**
8 **point, both parties, or both people who have**
9 **a role in creating this, come to some**
10 **agreement as to what the plan should be in**
11 **it's final form?**

12 MR. KILLMAN: Objection.

13 A. You have to say that again, I didn't catch
14 it.

15 **Q. Why don't I just strike the whole question.**
16 **This document, that you have in front of you,**
17 **that was updated from time to time, is that**
18 **right?**

19 MR. KILLMAN: Objection.

20 A. Yes, it was.

21 **Q. So there's versions that precede it, there**
22 **are preceding versions, is that correct?**

23 A. This is the 12th version.

24 **Q. What are you referring to, sir?**

1 A. Yes.

2 **Q. Now at any time, and again, I'm still**
3 **confining this to W.E. Aubuchon Company Inc.,**
4 **at any time has W.E. Aubuchon Company Inc.**
5 **administered it's own employee medical**
6 **benefit plan?**

7 A. Never.

8 **Q. What have you done, or what has W.E. Aubuchon**
9 **Company Inc. done, by way of administering**
10 **it's employee medical benefit plan over the**
11 **years?**

12 A. We don't administer the plan, we hire a TPA.

13 **Q. That has been true from the start of the**
14 **plan?**

15 A. Yes.

16 **Q. Now BeneFirst was one of the TPAs that you**
17 **hired, is that correct?**

18 A. Yes.

19 **Q. Who preceded BeneFirst, if you recall, for**
20 **the W.E. Aubuchon group health plan?**

21 A. Group Insurance Service Center, otherwise
22 known as GISC.

23 **Q. Why did you decide to change from GISC to**
24 **BeneFirst?**

1 A. Volume 12.

2 **Q. All right, so for the record, you're looking**
3 **at the back cover of what is marked as Arel**
4 **Exhibit 6, is that right?**

5 A. Yes.

6 **Q. And on the bottom right-hand corner, volume**
7 **number 12, and then it says, 9/01/02?**

8 A. Right.

9 **Q. So by referring to that, you now understand**
10 **there were 11 preceding versions of the --**

11 A. 11 preceding versions.

12 **Q. -- of the W.E. Aubuchon Company Inc. employee**
13 **medical benefit plan?**

14 MR. KILLMAN: Objection.

15 A. Yes.

16 **Q. Have there been other versions, since number**
17 **12?**

18 A. Yes.

19 **Q. What are you up to currently?**

20 A. I don't know, I might add that history
21 started in 1976, July 1, plan year.

22 **Q. That is the date that is referred to on page**
23 **3 of the summary plan information, if you**
24 **want to take a look?**

1 MR. KILLMAN: Objection.

2 A. Software reasons, administrative software
3 reasons, the electronic conversion under the
4 HIPA rules, through paperless administration.

5 **Q. Can you be more specific with regard to how**
6 **that informed your decision to switch?**

7 A. My history with GISC was 25 full years.

8 Their software was old, it was not yet HIPA
9 compliant, it was going to be HIPA compliant,
10 they were struggling with it, I couldn't take
11 a chance in having poor software
12 administration. That was a sad day.

13 **Q. Why did you switch to BeneFirst?**

14 MR. KILLMAN: Objection.

15 A. They approached us. We also had quotes from
16 four or five other TPAs, and I knew a
17 gentleman who was leaving GISC to start
18 BeneFirst.

19 **Q. Who was that, sir?**

20 A. Paul Sullivan, having faith in him, we
21 accepted a quote.

22 **Q. Now you mentioned that there were four or**
23 **five other proposals, is that right?**

24 A. Yes, at least four.

Page 70
1 increase, in your stop loss policy premiums,
2 as a result of anything done by BeneFirst?

3 A. There is a date that I have in mind.

4 MR. KILLMAN: Just answer the
5 question that was asked.

6 Q. The question is, are you aware of anything
7 done by BeneFirst -- I'll re-ask it a
8 different way, as you sit here today, are you
9 aware of anything that was done by BeneFirst,
10 that resulted in an increase in stop loss
11 policy premiums payable by, in this case,
12 W.E. Aubuchon?

13 A. Depending upon what date we're talking about,
14 it's either yes or no, depending upon this.

15 I have something in mind that would effect
16 the premiums, for sure, but I don't know
17 where this thing lands. Is this before what
18 I have in mind or after what I have in mind?

19 Q. Well, how about this you, you don't even need
20 to worry about this, set this aside. Let me
21 just explore your recollection. Without
22 necessarily referring to anything in the
23 document, you have something in mind with
24 regard to, I assume some conduct that was

Page 72
1 November, late November 2004, there was a
2 back and forth communication, verbal and in
3 writing, that was very unpleasant and
4 personally damaging to my ability to report
5 to my board of directors.

6 MR. KILLMAN: Let's take a one
7 minute break.

8 (A short break was taken.)

9 BY MR. BRODIE:

10 Q. All right, you were telling us about
11 something that happened between June of 2004
12 and November of 2004?

13 A. Yes.

14 Q. What exactly was it that effected your
15 ability to report to the board?

16 A. The end of the plan year is June 30th. There
17 were some bills that we had to get in, get
18 them paid, which would effectuate a
19 reimbursement from the stop loss carrier.

20 The amount of the reimbursement was
21 determined by BeneFirst and the underwriters,
22 if they were involved, was communicated to
23 me, verbally. I wanted it in writing. I had
24 to give it to, at that time, a CFO in the

Page 71
1 done by BeneFirst that effected your stop
2 loss premium, so let me ask you, what are you
3 thinking about when you say that?

4 A. In 1974, in a time period of June that
5 extended to December --

6 Q. 1974, did you say?

7 A. No, 1994, I'm sorry, 1994, for a period of
8 time, maybe beginning in June, plus or minus,
9 to -- we'll say the end of November, there's
10 a lot of questions about what had happened
11 and what was happening with the adjudicating
12 of claims, anticipated checks that were to
13 come from stop loss carriers --

14 MR. KILLMAN: I just want to be
15 clear, I think there's a discrepancy in the
16 date, do you mean 1994?

17 THE WITNESS: 1994.

18 MR. KILLMAN: Or would it be 2004?

19 THE WITNESS: Excuse me, 2004, I'm
20 tired, I guess.

21 MR. KILLMAN: Do you want to take a
22 break?

23 THE WITNESS: No, I'm all right,
24 that was bad. But it was June 2004 to

Page 73
1 company. He booked it as an accrual, which
2 reduced our health care costs, which reduced
3 the total expenses, which obviously gave you
4 a better bottom line.

5 Q. What was the amount it was booked at, do you
6 recall?

7 A. No, but big bucks, big bucks. The check
8 never came in that amount, there was a mix
9 up. Our bills were paid, no reimbursement,
10 had a meeting in November, that was the last
11 decent meeting before their termination in
12 midyear. I had to protect the plan and get
13 away from BeneFirst.

14 Q. Why exactly did you feel you had to terminate
15 BeneFirst?

16 A. Record keeping, couldn't get straight
17 answers, was a moving target. At the end,
18 couldn't get it reduced to writing. There
19 was a lot of money involved, that went
20 backwards, that we're not going to get. All
21 this raises the possibility that we're going
22 to have to probably start charging the
23 employee more money for the plan. The plan
24 was getting out of control, recordkeeping

1 contract between either W.E. Aubuchon Company
 2 Inc. or Aubuchon Distribution Inc. and
 3 BeneFirst, who would the plan administrator
 4 be?
 5 A. Aubuchon Distribution Inc.
 6 Q. The plan administrator would be Aubuchon
 7 distribution Inc.?
 8 MR. KILLMAN: Can I just ask for a
 9 minute, just to take a look at that document?
 10 Q. If you want, I can even direct you, take a
 11 look at the very first paragraph?
 12 A. I don't know, I am not a lawyer.
 13 Q. We won't hold that against you. All right,
 14 would you agree that the first paragraph of
 15 this document that we're referring to defines
 16 in this contract, W.E. Aubuchon Company Inc.
 17 Distribution Center to be the "plan sponsor"?
 18 A. I would have to look at the book, I would
 19 have to look at the plan document.
 20 MR. KILLMAN: Can we just take a
 21 minute break, it might streamline things.
 22 MR. BRODIE: Sure.
 23 MR. KILLMAN: Thank you.
 24 BY MR. BRODIE:

1 Q. Okay, I think we were still focusing on the
 2 very first line, the first line of the first
 3 paragraph in this document. The question I
 4 asked previously was, do you agree that,
 5 according to this document, the term, plan
 6 sponsor, refers to W.E. Aubuchon Company Inc.
 7 Distribution Center?
 8 A. Yes.
 9 Q. Now if we were actually talking about a
 10 correctly drafted document, it would either
 11 be W.E. Aubuchon Company Inc., as a plan
 12 sponsor, right?
 13 MR. KILLMAN: Objection.
 14 A. Right.
 15 Q. Or it would be Aubuchon Distribution Center
 16 Inc. as a plan sponsor, correct?
 17 MR. KILLMAN: Objection.
 18 A. Yes.
 19 Q. Do you agree that on the second line,
 20 BeneFirst, LLC is defined to be the plan
 21 administrator?
 22 A. That's what it says, yes.
 23 Q. Again, I am going to refer you back to the
 24 bottom of the first page, where it says, the

1 plan administrator as agent of the plan
 2 sponsor, in that phrase right there, would
 3 you agree that the plan administrator would
 4 be BeneFirst, as agent of the plan sponsor,
 5 and the plan sponsor would either be W.E.A.
 6 or Aubuchon Distribution?
 7 A. Yes.
 8 Q. Okay, now I would like to ask you to turn to
 9 the second page of this document, keeping in
 10 mind that we're still under subsection B,
 11 focusing your attention on paragraph 4, I am
 12 going to incorporate the terms from the
 13 previous 4. It says, B. The plan
 14 administrator as agent of the plan sponsor
 15 shall, 4. Refer to the planned sponsor for
 16 determination of A. Any claim or class of
 17 claims the plan sponsor may specify, B. Any
 18 disputed claim, C. Any claim involving any
 19 question of eligibility or entitlement of the
 20 claimant for coverage under the benefit plan,
 21 D. Any question with respect to the amount
 22 of payment due, or E. Any other question,
 23 have I read paragraph 4 correctly?
 24 A. Yes.

1 Q. Is it your understanding that, referring to
 2 the plan sponsor means either referring to
 3 W.E. Aubuchon Inc. or Aubuchon Distribution
 4 Inc., that very first phrase after paragraph
 5 4?
 6 MR. KILLMAN: Objection.
 7 A. I don't agree that this is correct, this
 8 number 4 is correct.
 9 Q. What do you disagree with?
 10 A. We don't determine eligibility.
 11 Q. Who determines eligibility, as far as you're
 12 concerned?
 13 A. The third party administrator.
 14 Q. How would they determine eligibility, if you
 15 know?
 16 A. Well, when we joined them, we reenrolled
 17 everybody, they had a form they asked us to
 18 fill out, we reenrolled everybody, they had
 19 all the data, age of the person, the
 20 relationship, anything to do with divorce or
 21 decrees, anything to do with adoption,
 22 anything to do with a natural child, anything
 23 to do with a person that turned 19, and is a
 24 full-time student that is determined by the

1 ERRATA SHEET DISTRIBUTION INFORMATION
 2 DEPONENT'S ERRATA & SIGNATURE INSTRUCTIONS
 3
 4 ERRATA SHEET DISTRIBUTION INFORMATION
 5 The original of the Errata Sheet has been delivered
 6 to Mr. Killman, Esquire.
 7
 8 When the Errata Sheet has been completed by the
 9 deponent and signed, a copy thereof should be
 10 delivered to each part of record and the ORIGINAL
 11 forwarded to Mr. Brodie, Esquire, to whom the
 12 original deposition transcript was delivered.
 13
 14 INSTRUCTIONS TO DEPONENT
 15 After reading this volume of your deposition, please
 16 indicate any corrections or changes to your
 17 testimony and the reasons therefore on the Errata
 18 Sheet supplied to you and sign it. DO NOT make
 19 marks or notations on the transcript volume itself.
 20 Add additional sheets if necessary. Please refer to
 21 the above instructions for errata sheet distribution
 22 information.
 23
 24

1 PLEASE ATTACH TO DEPOSITION OF M. Marcus Moran, Jr.
 2 CASE: 05-40159
 3 DATE TAKEN: May 22, 2008
 4 Please refer to page 122 for errata sheet
 5 instructions and distribution instructions. PAGE
 6 LINE CHANGE REASON
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 15
 16 I have read the foregoing transcript of my
 17 deposition and except for any corrections or changes
 18 noted above, I hereby subscribe to the transcript as
 19 an accurate record of the statements made by me.
 20
 Executed this day of , 20 .
 21
 22
 23 (M. Marcus Moran, Jr.)
 24

3

W.E. Aubuchon Co., et al.
VS.
Benefirst

Sarah Arel

Volume 1

April 9, 2008
pp. 1-169

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Sarah Arel

Page 1

Volume: I

Pages: 1 - 169

UNITED STATES DISTRICT COURT

DISTRICT OF MASSACHUSETTS

C.A. No. 05-40159 FDS

W.E. AUBUCHON CO., INC., AUBUCHON DISTRIBUTION,
INC., W.E. AUBUCHON CO., INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON DISTRIBUTION, INC.

EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs,

v.

BENEFIRST, LLC,

Defendant.

DEPOSITION OF SARAH AREL

Wednesday, April 9, 2008

The McCormack Firm

One International Place

Boston, Massachusetts

10:06 - 3:28

Reporter: Linda M. Grieco

Sarah Arel

<p style="text-align: right;">Page 30</p> <p>1 A. As benefits administrator, I would say 2 myself. 3 Q. Do you have any documentation from that 4 transmission or, excuse me, from that transition 5 that would show whether the necessary information 6 that EBPA needed was given to it by BeneFirst? 7 A. I don't recall. 8 Q. TPA's often talk about what they call the 9 build out. Are you familiar with that terminology? 10 A. The build out? 11 Q. Yes. 12 A. I don't -- I've not heard that term. 13 Q. Are you familiar with BeneFirst's work after 14 it became the TPA to set up its computer system to 15 process claims consistent with the terms of the 16 Aubuchon benefit plans? 17 A. Can you please repeat that? 18 Q. Sure. When BeneFirst took over as the 19 administrator, they would have set up their system 20 so that they could process medical claims of 21 Aubuchon employees in a way that matches up with the 22 SPD. 23 MR. KILLMAN: Objection. 24 Q. Are you aware of that?</p>	<p style="text-align: right;">Page 32</p> <p>1 Distribution had with BeneFirst for BeneFirst to 2 serve as the TPA for its medical benefit plan? 3 A. Yes. 4 Q. And you said a moment ago that Aubuchon 5 Distribution never signed this document. 6 A. We do not have a signed copy of this 7 document. 8 Q. Do you know whether -- 9 MR. KILLMAN: That wasn't the question. 10 MR. ROSENBERG: Yes, I'm going to 11 clarify that. 12 A. I'm sorry. 13 Q. No, that's fine. Do you know whether anyone 14 ever signed this agreement on behalf of Aubuchon 15 Distribution? 16 A. No. 17 Q. You don't know? 18 A. I don't know. 19 Q. Do you know if anyone ever signed this 20 agreement on behalf of BeneFirst? 21 A. No. 22 Q. Who would have had the authority to sign 23 this on behalf of Aubuchon Distribution? 24 A. I would say Marcus Moran, Jr. in his title</p>
<p style="text-align: right;">Page 31</p> <p>1 A. No. 2 MR. ROSENBERG: Can we mark this as the 3 next exhibit? 4 (Exhibit 7 marked for identification) 5 (Document exhibited to witness) 6 Q. Could you take a look at Exhibit 7, please. 7 After you have an opportunity to, if you could just 8 tell us what that is. 9 (Pause) 10 Q. Have you seen that document before? 11 A. I have seen this document, yes. 12 Q. Can you tell us what that is? 13 A. It's the Administrative Services Agreement 14 between the Aubuchon Distribution, Inc. and 15 BeneFirst. 16 Q. Now, if you'll look at page eight, please. 17 Do you see that it is not signed? 18 A. Yes. 19 Q. Was a signed copy of this agreement ever -- 20 well, was a copy of this agreement ever signed by 21 Aubuchon? 22 A. No. 23 Q. No, okay. Why not? Well, let's back up. 24 Is this the agreement that Aubuchon</p>	<p style="text-align: right;">Page 33</p> <p>1 as president and treasurer, and I most likely would 2 have witnessed that. 3 Q. Do you have any recollection of witnessing 4 Mr. Moran signing that document? 5 A. No, I don't. 6 Q. Does Aubuchon or Aubuchon Distribution have 7 a signed copy of this agreement? 8 A. No, we do not. 9 Q. Who would have drafted this agreement? 10 A. BeneFirst. 11 Q. Then it would have been provided to Aubuchon 12 Distribution? 13 A. Yes. 14 Q. Do you know what Aubuchon Distribution did 15 with the document after receiving it from BeneFirst? 16 A. I don't believe we were ever given one. 17 Q. So, was there ever a signed agreement during 18 the time that BeneFirst served as the TPA for the 19 Distribution Center? 20 A. No. 21 Q. Was there a separate Administrative Services 22 Agreement between BeneFirst and the Aubuchon 23 Company, Inc.? 24 A. Yes.</p>

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<p style="text-align: right;">Page 34</p> <p>1 Q. Does Aubuchon have a copy of that document?</p> <p>2 A. No.</p> <p>3 Q. Was that document ever signed by anyone on</p> <p>4 behalf of Aubuchon?</p> <p>5 A. Yes.</p> <p>6 Q. Who signed that on behalf of Aubuchon?</p> <p>7 A. I don't recall.</p> <p>8 Q. But you recall the document actually being</p> <p>9 signed by someone?</p> <p>10 A. Yes.</p> <p>11 Q. Was that done in 2001 when BeneFirst first</p> <p>12 became the TPA?</p> <p>13 A. Yes.</p> <p>14 Q. Does Aubuchon currently have a copy of that</p> <p>15 signed agreement?</p> <p>16 A. No.</p> <p>17 Q. Does Aubuchon have an unsigned copy of that</p> <p>18 agreement?</p> <p>19 A. No.</p> <p>20 Q. What happened to the agreement after it was</p> <p>21 signed on behalf of Aubuchon?</p> <p>22 A. It was sent to BeneFirst to have their</p> <p>23 appropriate person sign it and then send it back --</p> <p>24 send an original copy back to us.</p>	<p style="text-align: right;">Page 36</p> <p>1 A. That's correct.</p> <p>2 Q. Was there a separate agreement for each year</p> <p>3 that BeneFirst served as the TPA?</p> <p>4 A. No.</p> <p>5 Q. There was just an original contract, and</p> <p>6 that stayed in force until the termination in 2004?</p> <p>7 A. Yes.</p> <p>8 Q. The agreement between Aubuchon Company and</p> <p>9 BeneFirst, is that -- was that -- well, strike that.</p> <p>10 In front of you is the agreement between</p> <p>11 Aubuchon Company Distribution and BeneFirst,</p> <p>12 correct?</p> <p>13 A. Yes.</p> <p>14 Q. Or at least an unsigned copy of it.</p> <p>15 A. Yes.</p> <p>16 Q. Was the agreement between Aubuchon Company,</p> <p>17 Inc. and BeneFirst the same as that agreement?</p> <p>18 A. I believe it is, yes.</p> <p>19 Q. Were there negotiations with BeneFirst over</p> <p>20 BeneFirst serving as the TPA for the two plans?</p> <p>21 A. Can you say that again, please?</p> <p>22 Q. Sure. You had testified that was it GISC --</p> <p>23 A. Yes.</p> <p>24 Q. -- that had been serving as the TPA?</p>
<p style="text-align: right;">Page 35</p> <p>1 Q. Did Aubuchon then receive a copy that had</p> <p>2 been signed by BeneFirst as well as Aubuchon?</p> <p>3 A. No.</p> <p>4 Q. Did anyone at Aubuchon ever follow up to</p> <p>5 obtain a copy of the signed document?</p> <p>6 A. Yes.</p> <p>7 Q. Who was that?</p> <p>8 A. M. Marcus Moran, Jr.</p> <p>9 Q. How did he go about that?</p> <p>10 A. Several letters.</p> <p>11 Q. Who were they addressed to?</p> <p>12 A. Paul Sullivan.</p> <p>13 Q. Does Aubuchon currently have copies of those</p> <p>14 letters?</p> <p>15 A. Yes.</p> <p>16 Q. What was the response you received from</p> <p>17 Mr. Sullivan?</p> <p>18 A. It was mentioned that they would be bringing</p> <p>19 it to our office, mailing it or bringing it to our</p> <p>20 office. And we never received it.</p> <p>21 Q. And it was Mr. Sullivan who mentioned that?</p> <p>22 A. I don't recall who told us that.</p> <p>23 Q. So eventually -- strike that.</p> <p>24 So it was never received by Aubuchon?</p>	<p style="text-align: right;">Page 37</p> <p>1 A. Yes.</p> <p>2 Q. Then there were discussions between someone</p> <p>3 on behalf of BeneFirst and someone at Aubuchon about</p> <p>4 replacing GISC as the TPA, correct?</p> <p>5 A. We inquired with several different TPA's.</p> <p>6 Q. How did you come to inquire with BeneFirst?</p> <p>7 A. We were familiar with a couple of the folks</p> <p>8 that started BeneFirst as a new TPA. They were</p> <p>9 brand new.</p> <p>10 Q. Who were those people?</p> <p>11 A. Paul Sullivan and Charles Dobbins.</p> <p>12 Q. How were you familiar with those two</p> <p>13 individuals?</p> <p>14 A. Paul Sullivan used to work at Group</p> <p>15 Insurance Service Center as one of the salesmen.</p> <p>16 Q. How are you familiar with Mr. Dobbins?</p> <p>17 A. He was a friend of Paul Sullivan. I don't</p> <p>18 believe he worked at GISC prior to that.</p> <p>19 Q. Who were the other TPA's that you inquired</p> <p>20 of at the time?</p> <p>21 A. I don't recall.</p> <p>22 Q. Who at Aubuchon spoke with Mr. Sullivan and</p> <p>23 Mr. Dobbins?</p> <p>24 A. That would have been Marcus Moran, Jr. and</p>

10 (Pages 34 to 37)

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1 that provision required of the plan administrator?

2 **A. Yes.**

3 Q. What was that understanding?

4 **A. That BeneFirst, as our plan administrator,**

5 **would process claims. And if they made any error,**

6 **that they would take action to correct it.**

7 Q. What was that action they were agreeing to

8 take to correct?

9 MR. KILLMAN: Objection.

10 **A. It would depend upon what the error was.**

11 Q. Do you see that the paragraph states that

12 the administrator will make efforts to recover the

13 payment made to an ineligible person, correct?

14 **A. I see that.**

15 Q. Is that the only remedial step that Aubuchon

16 understood that phrase of the agreement to impose on

17 BeneFirst?

18 MR. KILLMAN: Objection.

19 **A. No.**

20 Q. What other obligations were imposed on it by

21 that provision?

22 **A. If -- I mean -- we had faith in BeneFirst to**

23 **process the claims according to the plan. If they**

24 **made an error, no matter what the error was, they**

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1 **were to obtain that money back if it was overpaid**

2 **or -- whatever the error was.**

3 Q. And your testimony is that the

4 Administrative Services Agreement between BeneFirst

5 and W.E. Aubuchon Company, Inc. with regard to the

6 Hardware Company benefit plan was the same as this

7 agreement?

8 **A. Yes.**

9 MR. KILLMAN: Is now a good time to take

10 just a short break?

11 MR. ROSENBERG: Oh, sure. Let's take a

12 break here.

13 (Whereupon, a recess was taken)

14 Q. Let's jump topics. You had testified that

15 BeneFirst was terminated as the TPA of Aubuchon

16 Hardware mid term; is that right?

17 **A. Yes.**

18 Q. Who decided to terminate them?

19 **A. M. Marcus Moran, Jr.**

20 Q. Did he consult with anybody else at the

21 company?

22 **A. At our company?**

23 Q. Yes.

24 **A. Kim McMahon and myself were involved in a**

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1 **meeting together, but he ultimately made that**

2 **decision.**

3 Q. Was there only one meeting in which you

4 participated that, that topic was discussed?

5 **A. I don't recall.**

6 Q. What was the substance of the discussions at

7 Aubuchon Hardware with regard to whether or not to

8 terminate BeneFirst as the TPA?

9 **A. Since I don't recall how many meetings we**

10 **may have had, I don't recall exactly what the**

11 **conversation was.**

12 Q. Well, in general, without limiting it to any

13 particular meeting, what were the discussions?

14 MR. KILLMAN: Objection.

15 Q. Or what was the substance of the

16 discussions?

17 MR. KILLMAN: Objection.

18 **A. Some of it was based on an audit that we had**

19 **done. Not we had done. That was done. And some**

20 **reimbursement of a loss fund that we were expecting**

21 **that did not occur.**

22 Q. Why was the decision made at Aubuchon

23 Hardware to terminate BeneFirst?

24 **A. We didn't have faith that they were**

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1 **processing claims according to our SPD.**

2 Q. Why did Aubuchon believe that?

3 **A. Because we were told by BeneFirst that we**

4 **would be receiving a reimbursement, pretty large**

5 **reimbursement from the loss, excess loss carrier,**

6 **and that did not come to pass.**

7 Q. Prior to that event, did Aubuchon Hardware

8 have any questions about whether the claims were

9 being processed properly?

10 **A. No.**

11 Q. When did this issue first arise?

12 **A. In the late summer of '04.**

13 Q. How did it arise?

14 MR. KILLMAN: Just to clarify, what

15 issue are we talking about?

16 Q. The issue you referred to about the excess

17 insurer and the reimbursement.

18 **A. Okay.**

19 Q. When did this first arise?

20 **A. I don't have a specific date, but I know it**

21 **was in roughly July of '04.**

22 Q. Were these two linked? You talked about the

23 excess insurer issue and the reimbursement issue.

24 Were they part of the same thing that came up or

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<p style="text-align: right;">Page 54</p> <p>1 were they two different issues?</p> <p>2 A. The same.</p> <p>3 Q. Could you describe it in more detail what</p> <p>4 that issue was? What those two pieces are?</p> <p>5 A. Our plan for that particular plan year, '03,</p> <p>6 '04, we had many shock claims, very large claims. A</p> <p>7 lot of money paid out. And with the aggregate, how</p> <p>8 the aggregate loss fund was calculated, again I</p> <p>9 don't know if I'm saying the right terms.</p> <p>10 Q. No, no, no, that's fine.</p> <p>11 A. But we were told by BeneFirst that we would</p> <p>12 be expecting a reimbursement above the loss fund on</p> <p>13 claims that had been paid by us from the excess</p> <p>14 carrier.</p> <p>15 Q. So the Aubuchon Hardware medical benefit</p> <p>16 plan had an excess insurer?</p> <p>17 A. Correct.</p> <p>18 Q. And the excess insurer was to reimburse</p> <p>19 Aubuchon Hardware for medical benefit payments above</p> <p>20 a certain aggregate amount paid by Aubuchon?</p> <p>21 MR. KILLMAN: Objection.</p> <p>22 A. Yes.</p> <p>23 Q. Was it just your testimony that BeneFirst</p> <p>24 had informed Aubuchon that they could expect a</p>	<p style="text-align: right;">Page 56</p> <p>1 November was set up by Marcus to find out exactly</p> <p>2 what was going on. And we were informed that the</p> <p>3 amount was not the amount that he was anticipating.</p> <p>4 Q. Why did that turn out not to be the amount</p> <p>5 that he was anticipating?</p> <p>6 MR. KILLMAN: Objection.</p> <p>7 A. It was based on the audit findings from the</p> <p>8 company -- from BP, Inc., which is the excess</p> <p>9 carrier, from the audit that they had done.</p> <p>10 Q. Do you know who performed the audit for BP?</p> <p>11 A. It was North Shore, North Shore something.</p> <p>12 Q. Were those audit results provided to</p> <p>13 Aubuchon?</p> <p>14 A. Not right away. But eventually, yes.</p> <p>15 Q. When were they provided to Aubuchon?</p> <p>16 A. I don't recall the exact date.</p> <p>17 Q. Was it before BeneFirst was terminated or</p> <p>18 was it before the date that the termination took</p> <p>19 place, before the end of '04?</p> <p>20 A. I don't recall.</p> <p>21 Q. Now, what took place after Aubuchon learned</p> <p>22 that the amount of the reimbursement would not be as</p> <p>23 much as it was expecting? How did it go from there</p> <p>24 to a decision to terminate BeneFirst?</p>
<p style="text-align: right;">Page 55</p> <p>1 certain payment from the excess insurer?</p> <p>2 A. Yes, they did mention that we had money that</p> <p>3 would be coming back to us.</p> <p>4 Q. Now, what happened with regard to obtaining</p> <p>5 reimbursement from this excess insurer?</p> <p>6 A. Because it was a fairly large amount, the</p> <p>7 excess insurer always conducts an audit to verify</p> <p>8 that, that is the correct figure. And when they did</p> <p>9 the audit, it was not correct.</p> <p>10 Q. Was that then brought to Aubuchon's</p> <p>11 attention at that point?</p> <p>12 A. It was not brought to our attention right</p> <p>13 away, no.</p> <p>14 Q. How did it get from that issue -- how did it</p> <p>15 come to Aubuchon's attention, let's try it that way?</p> <p>16 A. We made -- we, Marcus Moran, Jr., made</p> <p>17 several inquiries to BeneFirst on the status of that</p> <p>18 refund, that reimbursement.</p> <p>19 Q. The reimbursement being from the excess</p> <p>20 insurer?</p> <p>21 A. Yes, because it was going to be brought to</p> <p>22 the board, the Aubuchon board. And the matter was</p> <p>23 said that the -- BeneFirst told us that it was being</p> <p>24 worked on, being worked on. Then a meeting in</p>	<p style="text-align: right;">Page 57</p> <p>1 A. We had a meeting on November 5, '04, which</p> <p>2 we found out that, that amount was not correct.</p> <p>3 Q. Who was at this meeting?</p> <p>4 A. A number of BeneFirst people, Charles Lord,</p> <p>5 Marcus Moran, Jr., Kim McMahon and myself. Shortly</p> <p>6 thereafter, whether it be the next day or a few days</p> <p>7 later, we made a phone call. Charles Lord and</p> <p>8 Marcus Moran, Jr. made a phone call to BeneFirst to</p> <p>9 terminate services.</p> <p>10 Q. Before that meeting, did you have an exact</p> <p>11 date, November --</p> <p>12 A. I think the meeting was November 5th.</p> <p>13 Q. Was November 5th the first time that there</p> <p>14 was concern because of these issues as to whether</p> <p>15 BeneFirst was administering the claims correctly?</p> <p>16 A. Say that again, please.</p> <p>17 Q. Yes, let me make that a better question.</p> <p>18 You had testified before that because of these</p> <p>19 issues with the excess reimbursement, a concern</p> <p>20 arose on the part of Aubuchon that BeneFirst may not</p> <p>21 be administering claims in accordance with the SPD.</p> <p>22 Am I right about that?</p> <p>23 A. Yes.</p> <p>24 Q. Was it at that meeting on November 5th that</p>

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<p style="text-align: right;">Page 62</p> <p>1 Q. Were there communications or discussions</p> <p>2 with EBPA -- well, strike that.</p> <p>3 When were they first approached by</p> <p>4 Aubuchon about taking over as the TPA?</p> <p>5 MR. KILLMAN: It's EBPA you're talking</p> <p>6 about?</p> <p>7 MR. ROSENBERG: EBPA.</p> <p>8 A. When was EBPA approached?</p> <p>9 Q. Yes.</p> <p>10 A. After November 5th, 6th or 7th, after we</p> <p>11 made the phone call to BeneFirst that we were</p> <p>12 terminating their services, we had to scramble</p> <p>13 because we were terminating them as of 1/1/05.</p> <p>14 Q. And they were able to pick up the</p> <p>15 administration up and running within a short window</p> <p>16 of notice?</p> <p>17 A. Yes.</p> <p>18 Q. Why were they selected?</p> <p>19 A. We had similar meetings like we did when we</p> <p>20 first took on BeneFirst with other TPA's as well,</p> <p>21 and they were the ones that came out the best that</p> <p>22 could handle the situation at hand for us.</p> <p>23 Q. How were they selected? How did they first</p> <p>24 come to Aubuchon's attention as a possibility?</p>	<p style="text-align: right;">Page 64</p> <p>1 A. Just in general if they were processing</p> <p>2 claims according to how our SPD is written.</p> <p>3 Q. See if I can find the right plan I want to</p> <p>4 take a look at.</p> <p>5 MR. KILLMAN: Off the record for a</p> <p>6 second.</p> <p>7 (Discussion off the record)</p> <p>8 Q. I'm going to show you -- well, if you'll</p> <p>9 take a look at Exhibit 6, which is the SPD for</p> <p>10 Aubuchon Hardware at page seven of the schedule of</p> <p>11 benefits.</p> <p>12 (Document exhibited to witness)</p> <p>13 Q. Can you explain for us what that section of</p> <p>14 the medical plan is discussing?</p> <p>15 A. This section is called a schedule of</p> <p>16 benefits and is one of the most important sections</p> <p>17 of the book -- of the plan. It addresses how the</p> <p>18 different medical expenses that are covered and how</p> <p>19 they're covered, whether they're -- if an employee</p> <p>20 goes to in-network provider, then the coverages are</p> <p>21 listed accordingly. If the employee goes to an</p> <p>22 out-of-network provider, then the deductibles and</p> <p>23 the coverage is described accordingly.</p> <p>24 Q. Who wrote this page? The information on</p>
<p style="text-align: right;">Page 63</p> <p>1 A. Our broker Charles Lord recommended them</p> <p>2 among other TPA's for us to look at.</p> <p>3 Q. Can you identify for me the issues with</p> <p>4 regards to BeneFirst's administration that Aubuchon</p> <p>5 was concerned with when it chose to terminate them?</p> <p>6 Were there any specific types of errors that you</p> <p>7 believe were going on?</p> <p>8 A. We were unaware of any errors until the</p> <p>9 issue with the reimbursement that we didn't get.</p> <p>10 Q. When that issue arose, though, were there</p> <p>11 specific types of errors by BeneFirst that Aubuchon</p> <p>12 became concerned about?</p> <p>13 A. When that issue arose?</p> <p>14 Q. Yes.</p> <p>15 A. Nothing that was -- stuck out ahead of time</p> <p>16 from that issue, no. I don't think I answered that</p> <p>17 correctly.</p> <p>18 Q. Once the issue arose, though, I understand</p> <p>19 there was a general concern as to whether they were</p> <p>20 administering the plan correctly; is that right?</p> <p>21 A. Yes.</p> <p>22 Q. Were there specific types of errors by</p> <p>23 BeneFirst that Aubuchon became concerned about at</p> <p>24 that point?</p>	<p style="text-align: right;">Page 65</p> <p>1 this page, who wrote this?</p> <p>2 A. Again, the SPD came from the prior TPA, and</p> <p>3 it was reviewed by our counsel for accuracy and</p> <p>4 content. But this is something that we're always</p> <p>5 looking at, Aubuchon's always looking at in terms of</p> <p>6 if we need to make changes, increase a co-pay or</p> <p>7 increase the waiting period or things like that.</p> <p>8 Q. So the schedule of benefits page was in the</p> <p>9 SPD when it was provided to BeneFirst, it came from</p> <p>10 the prior TPA?</p> <p>11 A. Yes.</p> <p>12 Q. Was this schedule of benefits page ever</p> <p>13 revised during the time that BeneFirst was the TPA?</p> <p>14 A. We made that one revision on September 1,</p> <p>15 '02.</p> <p>16 Q. So the only change that could have taken</p> <p>17 place would have been a variation from the original</p> <p>18 August 25, '01 version to the September 25, '02</p> <p>19 version, right?</p> <p>20 A. No. This document, August 25, '01, is for</p> <p>21 the Distribution Center.</p> <p>22 Q. Oh, okay.</p> <p>23 A. This document, which is July 1, '01.</p> <p>24 Q. So when BeneFirst takes over, the original</p>

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<p style="text-align: right;">Page 94</p> <p>1 Q. Yes.</p> <p>2 A. In the interrogatories? Yes, they were</p> <p>3 right there.</p> <p>4 Q. What is Aubuchon's basis for these numbers</p> <p>5 that it included in there?</p> <p>6 A. The basis, it was based on the audits that</p> <p>7 were done.</p> <p>8 Q. So those calculations come solely from North</p> <p>9 Shore's audits?</p> <p>10 A. Yes.</p> <p>11 Q. In the next paragraph, it provides that</p> <p>12 BeneFirst's claim errors total 289,095 dollars and</p> <p>13 56 cents and describes the methodology for</p> <p>14 determining that. Do you see that?</p> <p>15 A. Yes, I do.</p> <p>16 Q. Where did that information come from?</p> <p>17 A. That was also based on the audit.</p> <p>18 Q. So all of this information comes from the</p> <p>19 audits performed by North Shore?</p> <p>20 MR. KILLMAN: Objection.</p> <p>21 A. Yes.</p> <p>22 Q. Is Aubuchon -- does Aubuchon have any other</p> <p>23 reason -- strike that.</p> <p>24 Does Aubuchon have any other basis for</p>	<p style="text-align: right;">Page 96</p> <p>1 Q. Is that also true with regard to the exhibit</p> <p>2 at tab two?</p> <p>3 A. Yes.</p> <p>4 Q. With regard to the information detailed on</p> <p>5 these two exhibits, the audits from North Shore are</p> <p>6 the only sources that Aubuchon has for this</p> <p>7 information?</p> <p>8 A. Yes.</p> <p>9 MR. ROSENBERG: Off the record for a</p> <p>10 minute.</p> <p>11 (Discussion off the record)</p> <p>12 (Whereupon, a lunch recess was taken)</p> <p>13 Q. We had left off discussing Aubuchon</p> <p>14 Distribution's Plans or Aubuchon Distribution</p> <p>15 Supplemental Answers to Interrogatories. I'd like</p> <p>16 you to take a look at Exhibit 8, which is Aubuchon</p> <p>17 Company, Inc. employee Medical Benefit Plan's</p> <p>18 Supplemental Answers to Interrogatories.</p> <p>19 (Document exhibited to witness)</p> <p>20 Q. And again, just to confirm, that's your</p> <p>21 signature on the last page on behalf of the company?</p> <p>22 A. Yes, it is.</p> <p>23 Q. On page three, much like the distribution</p> <p>24 interrogatories, it states that you have knowledge</p>
<p style="text-align: right;">Page 95</p> <p>1 totalling up the errors to this amount, other than</p> <p>2 what was provided by North Shore?</p> <p>3 A. No.</p> <p>4 Q. If you'll turn to page -- well, let me ask</p> <p>5 you this. In the November 2004 meeting, were the</p> <p>6 discussions with BeneFirst -- was BeneFirst a party</p> <p>7 to that meeting? Did they attend the meeting?</p> <p>8 A. Yes.</p> <p>9 Q. That's what I thought. Was the Aubuchon</p> <p>10 Distribution Plan discussed at that meeting or only</p> <p>11 the Aubuchon Company, Inc. Plan?</p> <p>12 A. Only the W.E. Aubuchon Co., Inc. Plan.</p> <p>13 Q. And that was I assume because the</p> <p>14 Distribution Company Plan had been terminated</p> <p>15 sometime before, it was no longer in effect?</p> <p>16 A. Yes, it didn't pertain to the reason for</p> <p>17 that meeting, right.</p> <p>18 Q. If you'll take a look at these interrogatory</p> <p>19 answers at exhibit one, at tab one to it. We may</p> <p>20 have covered this already, but I just want to make</p> <p>21 sure. It's your understanding that the information</p> <p>22 on this exhibit one was provided by North Shore</p> <p>23 through its audits?</p> <p>24 A. Yes.</p>	<p style="text-align: right;">Page 97</p> <p>1 of BeneFirst's wrongful acts and omissions</p> <p>2 consisting of breach of the agreement and the</p> <p>3 negligent delivery of services under the plans. Is</p> <p>4 the information that you know that you're describing</p> <p>5 here the same as the information you told us when I</p> <p>6 asked you about the Distribution answers?</p> <p>7 A. Yes.</p> <p>8 Q. And then likewise throughout these</p> <p>9 interrogatory answers on behalf of W.E. Aubuchon</p> <p>10 Company's employee benefit plan, you describe a</p> <p>11 variety of errors that allegedly were committed by</p> <p>12 BeneFirst in processing claims. For instance, they</p> <p>13 paid duplicate claims or they paid claims without</p> <p>14 sufficient investigation, things of that nature. Is</p> <p>15 all of the information that Aubuchon has in that</p> <p>16 regard what was told to it by North Shore in its</p> <p>17 audits?</p> <p>18 MR. KILLMAN: Objection.</p> <p>19 A. Yes.</p> <p>20 Q. Does Aubuchon have any other source of</p> <p>21 information showing that there were errors made by</p> <p>22 BeneFirst in processing claims?</p> <p>23 A. We have no other information. Just the</p> <p>24 audits.</p>

25 (Pages 94 to 97)

Sarah Arel

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1 benefits under the health care plan at the same
2 time?
3 **A. With our store managers, it's a 30-day**
4 **waiting period where they remain on the payroll,**
5 **yes. They would have been still on our plan.**
6 Q. So even after the 30-day waiting period
7 while he's receiving the short-term disability
8 benefits, he would still be covered under the health
9 plan?
10 **A. Yes.**
11 Q. Even though obviously he wouldn't actually
12 be working 40 or 47 hours per week at that time?
13 MR. KILLMAN: Objection.
14 **A. Yes, up to the six-month window.**
15 Q. Do you know whether he was out on short-term
16 disability during this period of July 1, 2004 to the
17 end of 2004?
18 **A. I don't recall. I'd have to look back.**
19 Q. Who would have records on the short-term
20 disability? Is that your department?
21 **A. My department or I would need to contact the**
22 **short-term disability carrier.**
23 Q. Can you explain to me what Charles Lord's
24 role was with Aubuchon during the time that

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1 BeneFirst was the administrator?
2 **A. Charles Lord was our broker of record. He**
3 **had been a broker of record for over 30 years. He**
4 **would be the person that we would go to if we had an**
5 **issue with BeneFirst. Didn't really occur until**
6 **that whole issue we've already talked about. He**
7 **would keep us attuned to any current trends in the**
8 **industry where, you know, if a medical condition was**
9 **now being covered, he would address it to us, and**
10 **we'd discuss whether we wanted to add it to the**
11 **plan, those kinds of things. He would keep us --**
12 **he'd also be involved in all the reinsurance, all**
13 **the quoting. He would initiate all the quoting.**
14 Q. Was he involved in the negotiation of the
15 Administrative Services Agreements between BeneFirst
16 and Aubuchon?
17 **A. He would have been part of the meeting of**
18 **any renewal with any -- whatever TPA we had, yes.**
19 MR. ROSENBERG: Could you mark this as
20 Exhibit 14, please?
21 (Exhibit 14 marked for identification)
22 (Document exhibited to witness)
23 Q. Could you take a look at this document for a
24 moment, please?

Page 164

1 **A. Yes.**
2 Q. Can you tell me what that is?
3 **A. This is a document we would receive every**
4 **Friday. I don't recall whether it came by fax or**
5 **whether it was -- we didn't do too much with e-mail**
6 **back then. But I believe it was a fax. And this**
7 **was called a weekly funding report. It would tell**
8 **us at the end of each week -- or claimed funding**
9 **request. It would tell us at the end of each week**
10 **how much in dollar amount the claims were processed**
11 **for that week, medical or dental or prescription or**
12 **vision, and what we would owe -- what we would need**
13 **to fund to BeneFirst so they can release these**
14 **claims for payment.**
15 Q. At the bottom, there's a spec credit for
16 Steven Valeski and again for Wayne Strong. What is
17 that?
18 **A. These particular, as I had mentioned before,**
19 **we had a lot of large case claims during the time**
20 **with BeneFirst, very sick people. And these**
21 **particular individuals, their total claim dollars**
22 **over the plan period were above and beyond the spec**
23 **limit, spec deductible, which was 125, 125 thousand.**
24 **So they were -- we made payments on them, but really**

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1 **the reinsurer should have at that point made the**
2 **payment. So it was refunded back to us.**
3 Q. So the credit reflects money coming in from
4 a reinsurer from these high volume losses?
5 **A. Yes.**
6 Q. What happens if an employee has a complaint
7 about a denial of benefits or the calculation of a
8 co-pay or something of that nature? How would they
9 raise that with the company?
10 **A. Normally if an employee called our office,**
11 **it was with a concern about a medical claim. It was**
12 **either that they received a bill at home and they**
13 **assumed that it had not been processed at all or**
14 **they received the EOB from BeneFirst stating that**
15 **they owed such and such and they were questioning**
16 **why, why do I owe that.**
17 Q. And that would happen --
18 **A. So they would --**
19 Q. I'm sorry.
20 **A. I'm sorry. They would either call our**
21 **office or write a letter.**
22 Q. And this is during the time that BeneFirst
23 was the administrator?
24 **A. Yes.**

42 (Pages 162 to 165)

Sarah Arel

<p style="text-align: right;">Page 166</p> <p>1 Q. Do you recall these events occurring during</p> <p>2 that time?</p> <p>3 A. Occasionally. A lot of -- majority of the</p> <p>4 times they contact BeneFirst directly. They had a</p> <p>5 customer service department.</p> <p>6 Q. And then what would happen when an employee</p> <p>7 contacted your office?</p> <p>8 A. We would instruct -- Kim or I would instruct</p> <p>9 them to contact the BeneFirst customer service</p> <p>10 department, because they had all the records on how</p> <p>11 the claim was processed. Generally we didn't have</p> <p>12 any information in front of us as to what they were</p> <p>13 talking about. So we asked that they contact</p> <p>14 BeneFirst directly first so get the claim resolved</p> <p>15 or the issue resolved.</p> <p>16 Q. What would happen if they weren't satisfied</p> <p>17 after speaking with BeneFirst?</p> <p>18 A. Then they may call back and say, you know, I</p> <p>19 couldn't get through or I, you know, I still don't</p> <p>20 understand. At that point, we may -- we would have</p> <p>21 asked them to send the bill or send us in writing</p> <p>22 what your concern is. Then we would forward that to</p> <p>23 BeneFirst.</p> <p>24 Q. Are there times that claims were denied that</p>	<p style="text-align: right;">Page 168</p> <p>1 CERTIFICATE</p> <p>2 I, SARAH AREL, do hereby certify</p> <p>3 that I have read the foregoing transcript of my</p> <p>4 testimony, and further certify that it is a true and</p> <p>5 accurate record of my testimony (with the exception</p> <p>6 of the corrections listed below):</p> <p>7 Page Line Correction</p> <p>8 _____</p> <p>9 _____</p> <p>10 _____</p> <p>11 _____</p> <p>12 _____</p> <p>13 _____</p> <p>14 _____</p> <p>15 _____</p> <p>16 _____</p> <p>17 _____</p> <p>18</p> <p>19 Signed under the pains and penalties of perjury this</p> <p>20 ____ day of _____, 2008.</p> <p>21</p> <p>22</p> <p>23 _____</p> <p>24 SARAH AREL</p>
<p style="text-align: right;">Page 167</p> <p>1 you would intervene with BeneFirst?</p> <p>2 A. Only to find out why, you know, how was it</p> <p>3 processed. Why was it denied.</p> <p>4 Q. Did Aubuchon ever respond by overruling</p> <p>5 BeneFirst's determination?</p> <p>6 A. I don't recall.</p> <p>7 Q. Who at your office would have had the</p> <p>8 authority to do that?</p> <p>9 A. Marcus Moran, Jr. made all those decisions</p> <p>10 that directly affected our checkbook. He was</p> <p>11 treasurer.</p> <p>12 Q. Would anybody else have authority do that?</p> <p>13 A. No, not to make that decision.</p> <p>14 Q. Do you have any recollection of him ever</p> <p>15 doing that when BeneFirst was the administrator?</p> <p>16 MR. KILLMAN: Objection.</p> <p>17 A. I don't recall.</p> <p>18 MR. ROSENBERG: Why don't we go off the</p> <p>19 record for five minutes.</p> <p>20 (Off the record)</p> <p>21 MR. ROSENBERG: All right, I think we're</p> <p>22 all set. Thank you very much.</p> <p>23 (Whereupon, at 3:28 the deposition</p> <p>24 concluded)</p>	<p style="text-align: right;">Page 169</p> <p>1 COMMONWEALTH OF MASSACHUSETTS)</p> <p>2 SUFFOLK, SS.)</p> <p>3 I, Linda M. Grieco, Professional Shorthand</p> <p>4 Reporter and Notary Public in and for the</p> <p>5 Commonwealth of Massachusetts, do hereby certify</p> <p>6 that SARAH AREL, the witness whose deposition is</p> <p>7 hereinbefore set forth, was duly sworn by me and</p> <p>8 that such deposition is a true record of the</p> <p>9 testimony given by the witness.</p> <p>10 I further certify that I am neither related to</p> <p>11 or employed by any of the parties in or counsel to</p> <p>12 this action, nor am I financially interested in the</p> <p>13 outcome of this action.</p> <p>14 In witness whereof, I have hereunto set my hand</p> <p>15 and seal this 17th day of April, 2008.</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21 Linda M. Grieco</p> <p>22 Notary Public</p> <p>23 My commission expires</p> <p>24 December 15, 2011</p>

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4

W.E. Aubuchon Co., et al.
vs.
Benefirst

Paul Gatanti, Jr.

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Paul Gatanti, Jr.

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UNITED STATES DISTRICT COURT

DISTRICT OF MASSACHUSETTS

C.A. No. 05-40159 FDS

W.E. AUBUCHON CO., INC., AUBUCHON DISTRIBUTION,
INC., W.E. AUBUCHON CO., INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON DISTRIBUTION, INC.

EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs,

v.

BENEFIRST, LLC,

Defendant.

DEPOSITION OF PAUL GATANTI, JR.

Monday, April 14, 2008

The McCormack Firm

One International Place

Boston, Massachusetts

10:01 - 1:33

Reporter: Linda M. Grieco

Paul Gatanti, Jr.

<p style="text-align: right;">Page 22</p> <p>1 A. Yes.</p> <p>2 Q. When the claims person would process it on</p> <p>3 the computer, was the computer built out to -- well,</p> <p>4 strike that.</p> <p>5 You were talking about plan build out.</p> <p>6 When the claims examiner would process a particular</p> <p>7 claim, was the computer set up to make</p> <p>8 determinations as to whether a claim was within the</p> <p>9 medical benefit plan or not?</p> <p>10 A. I'm not sure if I understand exactly the</p> <p>11 question.</p> <p>12 Q. Sure. Were there controls in the computer</p> <p>13 system to govern whether an examiner could approve</p> <p>14 payment for a particular claim or not?</p> <p>15 A. There were authority levels where an</p> <p>16 examiner had a certain authority. Then if a claim</p> <p>17 exceeded their authority, it would have to go to the</p> <p>18 next level for release, like a supervisor could</p> <p>19 release it. That's one part. The other part is</p> <p>20 plan building would have built the plan in</p> <p>21 accordance to what was sold. So, in other words,</p> <p>22 office visit would have been reimbursed in that work</p> <p>23 at say a hundred percent minus the applicable</p> <p>24 co-pay. So the plan builder would have built the</p>	<p style="text-align: right;">Page 24</p> <p>1 Q. When you were at BeneFirst, how would the</p> <p>2 people in charge of the plan building obtain their</p> <p>3 information about what the plan's terms and</p> <p>4 restrictions were?</p> <p>5 A. They would obtain that information from the</p> <p>6 direct salesperson.</p> <p>7 Q. And at BeneFirst, where would they get that</p> <p>8 information?</p> <p>9 A. Charlie Dobbins and Paul Sullivan.</p> <p>10 Q. Do you know where they would get the plan</p> <p>11 documents from?</p> <p>12 A. Directly from the client.</p> <p>13 Q. Did the computer system impose any</p> <p>14 restrictions on what a particular claims adjuster or</p> <p>15 examiner could decide to pay?</p> <p>16 A. I don't understand.</p> <p>17 Q. Let's say that a claims examiner determined</p> <p>18 that a certain claim could be paid but it didn't</p> <p>19 actually match up to the plan build out, would the</p> <p>20 computer let them process the payment?</p> <p>21 A. No, they would -- no, they would either have</p> <p>22 to do some type of override or kind of -- try to</p> <p>23 finagle the claim to pay how they wanted it to pay.</p> <p>24 But, no, it would be -- that would be very rare</p>
<p style="text-align: right;">Page 23</p> <p>1 system to take the ten dollar co-pay and to pay at</p> <p>2 network level of say a hundred percent. Another</p> <p>3 client may have an in-network benefit of 80 percent.</p> <p>4 So that would be built to pay at 80 percent.</p> <p>5 Q. And that information would be on the</p> <p>6 computer when the claims examiner was processing it?</p> <p>7 A. That information is already in the system.</p> <p>8 So the claims examiner would have their file where</p> <p>9 they'd have a copy of the summary of benefits. So</p> <p>10 when they were processing claims, if a client had a</p> <p>11 unique benefit that paid differently than say norm,</p> <p>12 say they had a very -- a limitation on surgery of</p> <p>13 ten thousand dollars. If they were processing a</p> <p>14 surgery claim and they saw it cap out and they said,</p> <p>15 oh, that's a little bit unusual. They'd look and</p> <p>16 say, oh, this client only has a limited benefit.</p> <p>17 But all of the data is already pre-built into the</p> <p>18 system by plan building. And that information is</p> <p>19 what is obtained from the salesperson when they sell</p> <p>20 the client for the administration. And every year</p> <p>21 the client comes up for renewal, if they change</p> <p>22 their benefits or change anything to do with it,</p> <p>23 then that information has to be communicated via a</p> <p>24 sales transmittal to the plan building.</p>	<p style="text-align: right;">Page 25</p> <p>1 instance.</p> <p>2 Q. Was there any sort of quality control in</p> <p>3 place to test whether examiners were properly</p> <p>4 processing claims?</p> <p>5 A. I put a quality process in place towards the</p> <p>6 end of my first year, and it was a random audit.</p> <p>7 And each examiner was audited, I think initially I</p> <p>8 started with probably 20 to 25 claims a month</p> <p>9 randomly. Then whatever errors were found in the</p> <p>10 audit, the claims examiner had to go in and fix</p> <p>11 those errors and make the necessary adjustments and</p> <p>12 corrections. Prior to that, there was nothing in</p> <p>13 place ever.</p> <p>14 Q. What you've just described is how -- well,</p> <p>15 strike that.</p> <p>16 Were you familiar with the accounts</p> <p>17 BeneFirst had with Aubuchon Distribution and</p> <p>18 Aubuchon, Inc.?</p> <p>19 A. No. The only group I became familiar with</p> <p>20 over time was Aubuchon Hardware.</p> <p>21 Q. Aubuchon Hardware, okay. Was the claims</p> <p>22 processing you just described also what was done</p> <p>23 with regard to Aubuchon Hardware?</p> <p>24 A. During my time at BeneFirst, yes.</p>

7 (Pages 22 to 25)

Paul Gatanti, Jr.

<p style="text-align: right;">Page 34</p> <p>1 Q. Were you familiar with the Administrative 2 Services Agreement that BeneFirst had with Aubuchon 3 Hardware? 4 A. No. 5 Q. But that was your general understanding of 6 what your authority was with regard to the Aubuchon 7 account? 8 MR. CIAVARRA: Objection. 9 A. Correct. 10 Q. What was the source of your understanding? 11 A. I don't understand. 12 Q. Sure. You testified that it was your 13 understanding that under the Administrative Services 14 Agreement, BeneFirst was to only process the claims 15 in accordance with the medical benefit plan itself? 16 A. Right. 17 Q. What had lead you to believe that? 18 A. Just industry norm. Just experience working 19 on -- in the TPA business, that's how it works. 20 Q. So across the industry, that's the general 21 standard? 22 A. Correct. 23 Q. If there were a dispute over a particular 24 medical benefit claim under the Aubuchon Hardware</p>	<p style="text-align: right;">Page 36</p> <p>1 deposited in the claim account so that they would 2 run the checks and EOB's to pay the claims. 3 Q. What's an EOB? 4 A. Explanation of benefits. 5 Q. And you were explaining Aubuchon's 6 involvement in that. 7 A. Right. The check edit would be sent to a 8 contact, a main contact. In this particular case, 9 Sarah and Kim would review the check edit, and they 10 would look at it to basically, you know, do a 11 double-check to see, if they were going to pay a 12 hundred grand, they understood what they were paying 13 a hundred grand for. If they had any questions, 14 they would normally contact the claims examiner. 15 Q. And they would have to then fund the account 16 before that claim could actually be paid? 17 MR. CIAVARRA: Objection. 18 A. Correct. 19 Q. Otherwise there would be no money in the 20 account to pay it? 21 MR. CIAVARRA: Objection. 22 A. That's correct. 23 Q. Do you know who wrote the -- well, strike 24 that.</p>
<p style="text-align: right;">Page 35</p> <p>1 account, who had the final authority to decide 2 whether or not to pay it? 3 MR. CIAVARRA: I object. 4 A. Aubuchon. 5 Q. How do you know that Aubuchon had the final 6 authority? 7 A. Because it was their practice that they were 8 very detailed in their review of the check edits, 9 and they would question anything on there that they 10 didn't understand or agree with, et cetera. 11 Q. Could you explain this process with regard 12 to the check edits? 13 A. I will. Claims were processed on a daily 14 basis in date order across the board for the book of 15 business. Clients could choose when they wanted to 16 fund their claims, either weekly, bimonthly or 17 monthly. When that check edit would be calculated 18 by I believe her name was Kristen David, she 19 would -- depending on the time frame the client 20 chose, say it was once a month. So she would run a 21 report that would basically detail out every single 22 claim that was processed in that time period. And 23 those claims would total a dollar amount that the 24 client would have to fund. And that money would be</p>	<p style="text-align: right;">Page 37</p> <p>1 Were you familiar with the Aubuchon 2 Hardware medical benefit plan itself? 3 A. Not until my very last couple of months, 4 because we were involved in a project Marcus had us 5 work on to enhance his plan that would drive his 6 population to the Boston hospitals versus the 7 regional hospitals. 8 Q. Prior to that time, you hadn't seen their 9 actual plan? 10 A. No, that would have been the claim examiner. 11 The only time I would ever go to look at any 12 client's plan is if there was a problem that was 13 brought to my attention. 14 Q. Prior to this project for Marcus, was there 15 any problems with the Aubuchon Hardware account 16 brought to your attention? 17 A. Nothing of any major issue that I can 18 remember. 19 Q. When you say Marcus, who are you referring 20 to? 21 A. Marcus Moran. 22 Q. Would you explain what that project was that 23 you were working on? 24 A. Basically because Aubuchon had a history of</p>

10 (Pages 34 to 37)

Paul Gatanti, Jr.

<p style="text-align: right;">Page 46</p> <p>1 with it at all.</p> <p>2 Q. What about were there particular practices</p> <p>3 with regard to injuries to children who were covered</p> <p>4 under the plan?</p> <p>5 A. Yes, accident details were not required on a</p> <p>6 child unless there were codes on the claims that</p> <p>7 indicated an auto accident or if the claims examiner</p> <p>8 knew the family was involved in some type of event.</p> <p>9 But industry norm is under 16, you don't ask for</p> <p>10 details.</p> <p>11 Q. Why is that?</p> <p>12 A. Because kids fall down and get hurt quite</p> <p>13 frequently, and there's a lot of negative push back</p> <p>14 when you request accident details on a ten-year-old</p> <p>15 that has a bruised knee.</p> <p>16 Q. Are you familiar with the idea in processing</p> <p>17 claims or with the issue of the application of</p> <p>18 multiple surgery rules?</p> <p>19 A. Can you say that one more time?</p> <p>20 Q. Sure. When you were at BeneFirst, was it</p> <p>21 necessary to apply what have been referred to as</p> <p>22 multiple surgery rules?</p> <p>23 A. The claims examiner should have applied the</p> <p>24 multiple surgery rules. And whether or not they did</p>	<p style="text-align: right;">Page 48</p> <p>1 your department at times to calculate multi-plan</p> <p>2 discounts?</p> <p>3 A. No.</p> <p>4 Q. Are you familiar with the term "multi-plan"?</p> <p>5 A. Yes.</p> <p>6 Q. What is that?</p> <p>7 A. That is a preferred provider organization</p> <p>8 network.</p> <p>9 Q. Did the multi-plan preferred provider</p> <p>10 organization allow for a reduced rate?</p> <p>11 A. Yes.</p> <p>12 Q. So they would have a reduced fee schedule?</p> <p>13 A. They would re-price the claim, and then they</p> <p>14 would attach a sheet to the claim that would say</p> <p>15 what the correct amount was to pay.</p> <p>16 Q. Would that re-pricing be done by the claims</p> <p>17 examiner?</p> <p>18 A. No, that was done by the multi-plan. And</p> <p>19 then, I believe at some point BeneFirst had access</p> <p>20 via the internet to do that. I believe the</p> <p>21 provider, one of the provider ladies I think did</p> <p>22 that internally.</p> <p>23 Q. Now, were you familiar with how COBRA was</p> <p>24 processed at BeneFirst?</p>
<p style="text-align: right;">Page 47</p> <p>1 so, I, you know, there were occasions where they</p> <p>2 didn't and there were occasions where they did.</p> <p>3 There would be certain ones that would come up on</p> <p>4 audits, internal audits where we would say, oh, you</p> <p>5 didn't do it right. And other cases they did it.</p> <p>6 So it was pretty much an examiner by examiner. It</p> <p>7 was complicated by the fact that the PPO fee</p> <p>8 schedule wasn't indicative of the multiple surgery</p> <p>9 rules. Again, it was something that the claims</p> <p>10 examiner would have had to have done by their own</p> <p>11 fruition. The system wouldn't have done it on its</p> <p>12 own.</p> <p>13 Q. In your past experience in medical benefit</p> <p>14 claims, did you find that the multiple surgery rules</p> <p>15 were consistently applied correctly?</p> <p>16 MR. CIAVARRA: Objection.</p> <p>17 A. Multiple surgery rules are an area that are</p> <p>18 often not appropriately applied in most cases</p> <p>19 because of the PPO fee schedule complication, unless</p> <p>20 the claim system is sophisticated enough and has the</p> <p>21 logic built into it where it will automatically make</p> <p>22 those calculations.</p> <p>23 Q. The claims that were processed for Aubuchon</p> <p>24 when you were at BeneFirst, was it necessary for</p>	<p style="text-align: right;">Page 49</p> <p>1 A. Just on a high level basis, not the details.</p> <p>2 Q. When you say "a high level basis," were you</p> <p>3 supervising the people who did that?</p> <p>4 A. They were under me, but it wasn't really</p> <p>5 a -- there wasn't really a function that was managed</p> <p>6 by me, because there was -- she was pretty</p> <p>7 self-sufficient, and she had a lot of interactions</p> <p>8 with Charlie and Paul. Occasionally she would come</p> <p>9 to me, but it would be more on like a full-time</p> <p>10 student issue versus a COBRA.</p> <p>11 Q. When you say "she," who was that?</p> <p>12 A. Pam Furlong.</p> <p>13 Q. And she was in charge of the COBRA work?</p> <p>14 A. Correct.</p> <p>15 Q. Let me show you what was marked as Exhibit</p> <p>16 10 at Sarah Arel's deposition.</p> <p>17 (Document exhibited to witness)</p> <p>18 Q. I just ask you to take a look at that and</p> <p>19 tell me if you're familiar with that?</p> <p>20 A. No, I'm not familiar with this.</p> <p>21 Q. Okay. I'm going to show you what was marked</p> <p>22 as Exhibit 8 at Sarah Arel's deposition.</p> <p>23 (Document exhibited to witness)</p> <p>24 Q. Now, if you'll just take a look, you'll see</p>

13 (Pages 46 to 49)

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<p style="text-align: right;">Page 58</p> <p>1 A. Yes.</p> <p>2 Q. When did that occur? Do you recall specific</p> <p>3 instances?</p> <p>4 A. In general, if we found an error during one</p> <p>5 of the internal audits, Aubuchon always had the most</p> <p>6 experienced claims examiner that BeneFirst had</p> <p>7 employed. Carrie and Robin were extremely</p> <p>8 experienced examiners. Their error ratios were</p> <p>9 very, very small. They were highly accurate claims</p> <p>10 examiners. And if an overpayment was discovered</p> <p>11 either through a call from a provider, hey, you</p> <p>12 overpaid or whatever, the claims examiner would have</p> <p>13 sent a letter out and done the traditional follow-up</p> <p>14 30, 60, 90-day follow-up.</p> <p>15 Q. When you were describing the two Aubuchon</p> <p>16 claims examiners' error ratios, could you explain to</p> <p>17 us what you mean by that?</p> <p>18 A. The error ratios, the standard at BeneFirst</p> <p>19 that I put in place was the minimum of 98 percent</p> <p>20 financial accuracy and a minimum of 98 percent</p> <p>21 procedural accuracy. So when those women had the</p> <p>22 random audits, based on the claims that they</p> <p>23 processed, and they were dedicated for the most part</p> <p>24 to Aubuchon claims, procedurally and financially,</p>	<p style="text-align: right;">Page 60</p> <p>1 claims like that would be the primary responsibility</p> <p>2 of the claims examiner?</p> <p>3 A. Correct.</p> <p>4 Q. Under what circumstances would a particular</p> <p>5 medical benefit claim be brought up to your</p> <p>6 attention?</p> <p>7 A. Usually when the proverbial crap was hitting</p> <p>8 the fan on a particular issue, either with a</p> <p>9 provider or with a client, then I would get</p> <p>10 involved. Again, where the Aubuchon claims people</p> <p>11 were so -- were very, very experienced, it was very,</p> <p>12 very rare that anything ever came to my level.</p> <p>13 Q. Do you recall any issues related to an</p> <p>14 Aubuchon Hardware employee named Wayne Strong?</p> <p>15 A. It sounds familiar to me, but not -- I --</p> <p>16 not any direct recollection.</p> <p>17 Q. And do you remember any issues arising with</p> <p>18 regard to a particular Aubuchon Hardware employee</p> <p>19 named Steven Valeski?</p> <p>20 A. Again, I know he had a bunch of stuff, but I</p> <p>21 don't remember specifics.</p> <p>22 Q. Did you leave employment at BeneFirst after</p> <p>23 BeneFirst was terminated as the TPA for the Aubuchon</p> <p>24 accounts?</p>
<p style="text-align: right;">Page 59</p> <p>1 their accuracy was well above the 98 percent. And</p> <p>2 quite often, it was a hundred percent.</p> <p>3 Q. Why did you pick those particular</p> <p>4 percentages for the --</p> <p>5 A. Industry standard is 98 percent or higher.</p> <p>6 In other words, that's your target to shoot for.</p> <p>7 Q. How did you just identify them, claim</p> <p>8 accuracy?</p> <p>9 A. Procedural and financial accuracy.</p> <p>10 Q. And in your internal audits, you found that</p> <p>11 they were both meeting those standards?</p> <p>12 A. Yes. And the claims examiners that were</p> <p>13 not, we took corrective action.</p> <p>14 Q. Were any of those claims examiners handling</p> <p>15 the Aubuchon account?</p> <p>16 A. No.</p> <p>17 Q. Do you recall a medical benefit claim for an</p> <p>18 Aubuchon Hardware employee named Samuel Bedard?</p> <p>19 A. The name vaguely rings a bell, but I</p> <p>20 can't -- I don't remember any specifics.</p> <p>21 Q. What about with regard to an Aubuchon</p> <p>22 Hardware employee named Herbert Nason, N-A-S-O-N?</p> <p>23 A. No.</p> <p>24 Q. The handling of specific individual medical</p>	<p style="text-align: right;">Page 61</p> <p>1 A. Yes. I was there when Aubuchon terminated</p> <p>2 with BeneFirst.</p> <p>3 Q. Were you involved in any internal</p> <p>4 discussions over the termination?</p> <p>5 A. Can you clarify?</p> <p>6 Q. Sure. Do you know why BeneFirst was</p> <p>7 terminated?</p> <p>8 A. Yes.</p> <p>9 Q. Why was it terminated?</p> <p>10 A. Marcus had no faith in Charlie, and there</p> <p>11 was an on-going issue with New York surcharge being</p> <p>12 correctly paid and calculated that had been on-going</p> <p>13 for long before I ever arrived at BeneFirst. Those</p> <p>14 were the two -- those were the two reasons that</p> <p>15 Marcus listed on his call -- conference call.</p> <p>16 Q. So you participated in the conference call?</p> <p>17 A. I was in the room.</p> <p>18 Q. Was there one or more conference calls?</p> <p>19 A. That was the only call regarding the</p> <p>20 termination.</p> <p>21 Q. Can you explain to us what the New York</p> <p>22 surcharge issue was?</p> <p>23 A. New York State, there's a surcharge that is</p> <p>24 applied to medical claims that the State of New York</p>

16 (Pages 58 to 61)

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1 **A. Not at all.**
 2 Q. How about Mr. Sullivan?
 3 **A. Not at all.**
 4 Q. How about Carrie Reidy?
 5 **A. Not at all.**
 6 Q. Have you spoken to anybody about this case
 7 or the claims in this case since you left?
 8 **A. I have no knowledge of it.**
 9 Q. When did you first learn that a case had
 10 been filed?
 11 **A. I think I may have seen it on an Ernie**
 12 **Clevenger website or something like that. They do**
 13 **like stop loss law updates and stuff, and there was**
 14 **a blurb about the Aubuchon BeneFirst case awhile**
 15 **back.**
 16 Q. Did that surprise you?
 17 **A. No.**
 18 Q. Why not?
 19 **A. Because Marcus was pretty ticked off at**
 20 **Charlie.**
 21 Q. And you knew that from that conference call
 22 you listened to?
 23 **A. Correct.**
 24 Q. And in particular he was ticked off about

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1 what?
 2 **A. The New York surcharge and that he had -- he**
 3 **didn't have any faith in Charlie.**
 4 Q. Do you remember when this conference call
 5 took place?
 6 **A. It would have been sometime right around**
 7 **July of when they were up for renewal. I think they**
 8 **were a July 1st case.**
 9 Q. Of 2004?
 10 **A. Just before they left. It would have**
 11 **been -- it would have been '04.**
 12 Q. Because you left in January of '05.
 13 **A. So it could have been '04.**
 14 Q. But in January of '05, wasn't Aubuchon still
 15 a client when you left?
 16 **A. I thought they -- I can't remember. I**
 17 **thought they had left.**
 18 Q. Do you recall that North Shore conducted an
 19 audit on behalf of the excess insurance carrier,
 20 stop loss carrier?
 21 **A. I was gone by that point, I believe.**
 22 Q. Were you aware that in connection with that
 23 audit, that North Shore found a number of errors
 24 committed by BeneFirst in the claims administration

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1 process?
 2 **A. Aware when?**
 3 Q. At any time.
 4 **A. Just recently.**
 5 Q. This conference call that you participated
 6 in, was there any discussion about an audit done by
 7 North Shore?
 8 **A. No, the call was simply about that they were**
 9 **notifying BeneFirst that they were going to leave.**
 10 Q. Just trying to get a sense, was it a
 11 discussion that they were going to leave or that
 12 they were terminating their relationship then?
 13 **A. That they were done with BeneFirst. That**
 14 **they were moving on.**
 15 Q. Do you know who became the third-party
 16 administrator?
 17 **A. I believe it was CBA up in New Hampshire.**
 18 Q. So if you left in January of '05 and your
 19 memory was that conference call was in the summer of
 20 '04, six months before you left, do I have that
 21 chronology right?
 22 **A. I believe so.**
 23 Q. During that last six months, is it your
 24 testimony that Aubuchon was not doing any business

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1 with BeneFirst?
 2 **A. I don't know if there was run-out or what**
 3 **was going on.**
 4 Q. You had no personal involvement in that
 5 account for the next six months, is that your
 6 testimony?
 7 MR. ROSENBERG: I object.
 8 **A. I don't recall anything.**
 9 Q. Whether there was or there wasn't, you have
 10 no memory?
 11 **A. I can't recall the specifics.**
 12 Q. Part of what I'm trying to do is trying to
 13 distinguish what you have a specific memory of and
 14 what you have no memory of.
 15 **A. Right.**
 16 Q. The topic that you were discussing with
 17 Mr. Rosenberg on this reimbursement on the aggregate
 18 loss fund, do you remember that testimony?
 19 **A. Uh-hum.**
 20 Q. As I understand your testimony, one of the
 21 reports that was provided by BeneFirst contained an
 22 error in it; is that correct?
 23 **A. Correct.**
 24 Q. Which report was that?

18 (Pages 66 to 69)

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<p style="text-align: right;">Page 70</p> <p>1 A. It would have been a report called the RCR.</p> <p>2 Q. Without getting too deep into the details,</p> <p>3 as I understand your testimony, the RCR report</p> <p>4 overstated the amount of reimbursement that the</p> <p>5 client would expect to receive?</p> <p>6 A. Didn't overstate the reimbursements. What</p> <p>7 it did is it overstated the aggregate claims.</p> <p>8 Q. How does that translate into an anticipated</p> <p>9 reimbursement?</p> <p>10 A. It doesn't. What happens was that because</p> <p>11 the RCR was overstated, Aubuchon thought they had an</p> <p>12 aggregate breach without first waiting for an actual</p> <p>13 audit to actually occur.</p> <p>14 Q. So based upon the report, the client would</p> <p>15 expect --</p> <p>16 A. Would assume, yes.</p> <p>17 Q. -- that their stop loss coverage was going</p> <p>18 to kick in?</p> <p>19 A. That there would have been an aggregate</p> <p>20 claim filed, that BeneFirst would have filed an</p> <p>21 aggregate claim.</p> <p>22 Q. Do you recall receiving any correspondence</p> <p>23 from Mr. Moran on that topic when you were still at</p> <p>24 BeneFirst?</p>	<p style="text-align: right;">Page 72</p> <p>1 deposition instruct the witness how to answer a</p> <p>2 question. You can object --</p> <p>3 MR. ROSENBERG: I didn't instruct him</p> <p>4 how to answer a question.</p> <p>5 MR. CIAVARRA: Do you want me to read</p> <p>6 back what you said?</p> <p>7 MR. ROSENBERG: If you would enjoy it,</p> <p>8 be my guest.</p> <p>9 MR. CIAVARRA: No. Steve, you know you</p> <p>10 can't do that. So just don't do that.</p> <p>11 MR. ROSENBERG: That's not what I said,</p> <p>12 and that's not what I'm doing.</p> <p>13 MR. CIAVARRA: Don't do it again.</p> <p>14 A. So, what's your question again?</p> <p>15 Q. My question is do you recall this document?</p> <p>16 Have you ever seen it before?</p> <p>17 A. I have very vague recollection of it, but</p> <p>18 not -- I mean, that was a long time ago.</p> <p>19 Q. Actually, you can keep it in front of you.</p> <p>20 I've got a copy of it. It's a different Bates stamp</p> <p>21 but the same letter. Do you recall whether you</p> <p>22 responded to Mr. Moran?</p> <p>23 A. No idea. Again, this would have been all --</p> <p>24 this would have been Paul Sullivan and Maureen and</p>
<p style="text-align: right;">Page 71</p> <p>1 A. I know there was a flurry of activity</p> <p>2 regarding that issue, but I don't remember any</p> <p>3 specifics, other than that, you know, again, that</p> <p>4 Paul or Charlie were informed that there was --</p> <p>5 Q. I'm going to show you a letter that was</p> <p>6 produced in this case, and it's been stamped for the</p> <p>7 record Aubuchon 058.</p> <p>8 (Document exhibited to witness)</p> <p>9 Q. So, I ask you if you recognize that?</p> <p>10 MR. ROSENBERG: Before you answer, just</p> <p>11 tell him whether you recognize it or not.</p> <p>12 MR. CIAVARRA: Excuse me, you shouldn't</p> <p>13 be directing the client how to answer.</p> <p>14 MR. ROSENBERG: Actually, I'm not. What</p> <p>15 we're going to do or what I'd like to do --</p> <p>16 MR. CIAVARRA: Excuse me, Steve, that's</p> <p>17 exactly what you just did.</p> <p>18 MR. ROSENBERG: What I'd like to do,</p> <p>19 Lou, since you didn't bring a copy for him, I'd like</p> <p>20 to get it on the record and get it marked as an</p> <p>21 exhibit. And if you want me to, I'll go make a copy</p> <p>22 so we can --</p> <p>23 MR. CIAVARRA: My point is very simple,</p> <p>24 please, do not again during the course of this</p>	<p style="text-align: right;">Page 73</p> <p>1 those guys dealing with this.</p> <p>2 Q. Except for the fact here's a letter from</p> <p>3 Mr. Moran to you, correct?</p> <p>4 A. Right.</p> <p>5 Q. The letter references, and I understand you</p> <p>6 don't have a memory of it, but it references</p> <p>7 anticipated reimbursement of 468,000; do you see</p> <p>8 that?</p> <p>9 A. Yes.</p> <p>10 Q. Does that number ring a bell with you?</p> <p>11 A. No.</p> <p>12 Q. How about the order of magnitude, does that</p> <p>13 sound familiar to you?</p> <p>14 A. Yeah.</p> <p>15 Q. That Aubuchon --</p> <p>16 A. Yeah, they had this -- that they thought</p> <p>17 they had this agg claim.</p> <p>18 Q. Did you ever inform Mr. Moran that, that</p> <p>19 anticipated reimbursement was in error?</p> <p>20 A. Not until we had a meeting in their office.</p> <p>21 Q. When was that? Sometime after September 20,</p> <p>22 2004?</p> <p>23 A. Yeah, there was a meeting where basically,</p> <p>24 you know, basically everyone decided that it was</p>

19 (Pages 70 to 73)

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1 **time to tell them that it wasn't a claim.**
 2 Q. And you had talked earlier before, this
 3 error was well known within BeneFirst?
 4 **A. Absolutely.**
 5 Q. And somebody made the decision not to tell
 6 the clients?
 7 **A. I have no idea.**
 8 Q. Well, did you tell the clients?
 9 **A. We didn't -- no, that was all communicated**
 10 **up to Charlie and Paul, because it was Paul's --**
 11 **that was Paul's relationship and his client.**
 12 Q. But to the best of your knowledge, that
 13 information, that error as contained in the RCR
 14 report was not communicated to Aubuchon before this
 15 meeting --
 16 **A. That's correct.**
 17 Q. -- that you attended? Do you recall when
 18 that meeting took place?
 19 **A. No.**
 20 Q. Who was there from Aubuchon?
 21 **A. Marcus, the broker.**
 22 Q. Is that Charlie Lord?
 23 **A. I believe so. Sarah, one of the Aubuchon**
 24 **kids, and then Charlie, Paul and myself. I believe**

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1 **that was all.**
 2 Q. Do you recall what Mr. Moran's response was
 3 when you provided that information at the meeting?
 4 **A. I vaguely remember he wasn't too happy.**
 5 Q. And it's your testimony that at the time of
 6 that meeting, Aubuchon had already communicated its
 7 termination?
 8 **A. Again, I don't recall specifically. All I**
 9 **recall from that meeting is that he had -- I believe**
 10 **he had booked whatever amount he thought was the agg**
 11 **claim. And his issue was that he had to go back and**
 12 **tell him that, that money wasn't -- he couldn't book**
 13 **it.**
 14 Q. And you have no memory at the time of this
 15 meeting, the one you told us about, of whether or
 16 not there was any audit done by North Shore at that
 17 time?
 18 **A. I don't believe there was.**
 19 Q. In your experience with North Shore, did you
 20 find them to be a competent auditor?
 21 **A. Yes.**
 22 Q. Do you have any reason to believe that any
 23 audit they completed would not be accurate?
 24 **A. Again, I have, you know, I have no -- I**

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1 **don't really know how to answer that conclusively,**
 2 **other than it would be based on whatever information**
 3 **they were auditing.**
 4 Q. I'm saying based upon your experience, do
 5 you have any reason to believe that an audit
 6 completed by North Shore would not be accurate?
 7 **A. No.**
 8 Q. Why did you terminate -- did you quit or
 9 were you terminated?
 10 **A. I left. I quit.**
 11 Q. Why?
 12 **A. Because I had received a better job offer.**
 13 Q. Better in terms of compensation or
 14 responsibilities?
 15 **A. Compensation and opportunity.**
 16 Q. Do you recall when you notified BeneFirst of
 17 that decision?
 18 **A. December of '04.**
 19 Q. You told Mr. Rosenberg that for the claims
 20 examiners that were not performing at the level that
 21 you found satisfactory, action was taken. What
 22 action was taken?
 23 **A. They had to correct their mistakes on the**
 24 **audit. They had to improve their audit scores or,**

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1 **you know, they would be written up and either**
 2 **terminated eventually or try to find another**
 3 **position for them that more suited them.**
 4 Q. While you were at BeneFirst, were any of the
 5 examiners terminated for failure to maintain the
 6 appropriate accuracy levels?
 7 **A. No, not that I can recall.**
 8 Q. While you were there and it was your
 9 responsibility to review them, who was not operating
 10 at their sufficient level, names if you can recall?
 11 **A. I can't remember.**
 12 Q. When you did your internal audits, did you
 13 keep any written records of those?
 14 **A. Yes.**
 15 Q. Did you do a written report?
 16 **A. It was on a spread sheet.**
 17 Q. What did you do with those spread sheets
 18 after the audit was completed?
 19 **A. I printed them off and included copies of**
 20 **the claims that were audited. And then the examiner**
 21 **had the opportunity to review the errors or if there**
 22 **were no errors, there's nothing to review. And they**
 23 **could appeal if there was an error found. Then we**
 24 **would go through the appeal process, and the claims**

20 (Pages 74 to 77)

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1 Q. So to be good at claims examining, you need
2 to be more than simply a data input person; is that
3 fair to say?

4 **A. Correct.**

5 Q. There's some thought that goes into your
6 job?

7 **A. Correct.**

8 Q. You were describing for Mr. Rosenberg the
9 process of how to examine a claim as it came in the
10 door. I think you said the first thing that happens
11 is a medical bill of one form or another is received
12 in your mailroom at BeneFirst?

13 **A. Correct.**

14 Q. I'm going to talk about your experience at
15 BeneFirst. That's a bill that would come from the
16 client or come directly --

17 **A. The provider.**

18 Q. Just let me finish, because she can't take
19 us down.

20 **A. I'm sorry.**

21 Q. I know you're anxious to complete. This is
22 a bill that would come from a provider or come from
23 the client?

24 **A. Provider.**

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1 Q. So at some point would the clients tell the
2 providers who to send the bills to or how does that
3 work?

4 **A. The provider would take the address off of
5 the back of your medical ID card, enter it into
6 their database and they would send -- then they
7 would send the claim directly to the TPA. If a
8 client is moving from one TPA to another, there's
9 generally at least a year period of this crossover
10 effect. So the prior TPA is getting all of your
11 claims. And there's a lag. But generally it's the
12 ID card that is the driver of where it goes.**

13 Q. So how did BeneFirst decide which claims
14 went to which examiner? Because claims were just
15 coming to the mailroom, right?

16 **A. It was done by group.**

17 Q. Tell me what you mean by that.

18 **A. You had X amount of groups. Each group was
19 a certain size. And each group had a certain volume
20 of claims. So, the heavier the volume of claims on
21 a particular group, the less number of groups a
22 claim examiner would be able to effectively manage.
23 So, for example, Aubuchon was one of the very
24 highest claim volume clients at BeneFirst. And**

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1 **because of their claim volume, we had to dedicate an
2 experienced person, not only because of the volume,
3 but because Aubuchon was a very high profile account
4 that was very favorably thought of, you know, by
5 Paul and et cetera. So they wanted to make sure
6 that they did a very, very good job for them.**

7 Q. So the way you would organize it internally
8 is there would be certain clients assigned to
9 certain claims examiners?

10 **A. Right.**

11 Q. Whenever a medical bill came in on that
12 plan, it would go to whoever that assigned examiner
13 was?

14 **A. Correct. Rule of thumb was one examiner per
15 thousand lives, 15 hundred lives. But, again, if
16 you had some cases that were very, very clean or
17 very, very healthy, you may have someone that has
18 two thousand lives. It depended.**

19 Q. So there's somebody in the mailroom that's
20 sorting the claims and deciding which administrator
21 they go to?

22 **A. No, they're sorting by date order and by
23 group, and then I decided who got what groups.**

24 Q. So then if I'm a claims examiner, in the

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1 morning I get a pile of claims on my desk?

2 **A. No, we had a file cabinet. So if you had
3 seven groups that you were the claims examiner for,
4 you would go into the file cabinet and you would
5 grab XYZ company's claims for March 1st, because
6 those would be the oldest claims, and you would
7 process those claims that were received on that
8 date. Once you were done with those claims, you'd
9 go and grab the next group that you had. You'd
10 process those claims in date order. Then you go to
11 the next group until you got all of the, you know,
12 April 1st dates done. Then you went on to April 2nd
13 and April 3rd.**

14 Q. When I went to the file cabinet, though, all
15 the medical claims were sorted by client?

16 **A. By group.**

17 Q. When you say group, is that different than
18 client?

19 **A. Same thing.**

20 Q. That's what I want to make sure we're
21 talking about the same thing. So, if I'm the
22 examiner, Karen Reidy, is that her name?

23 **A. Carrie Reidy.**

24 Q. In the morning I would get to work, and I

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<p style="text-align: right;">Page 86</p> <p>1 would go to the file cabinet. And the date is not 2 important, but I grab the Aubuchon file for March 3 1st? 4 A. Correct. 5 Q. And I would process those claims? 6 A. Correct. 7 Q. And then I would move to the next date or 8 would I move to the next group on that same date? 9 A. Depending upon if -- I believe Aubuchon was 10 her only account, because of the volume. So it 11 would have gone to the next date. 12 Q. To the extent, though, that any examiner had 13 other groups they were responsible for, they would 14 finish a date before they moved to the next date, 15 regardless of the number of clients involved? 16 A. Exactly. 17 Q. Then would those medical claims -- when I 18 say medical claims, this is a bill, correct, from a 19 doctor or hospital or something like that? 20 A. Correct. 21 Q. What did they then do with that physical 22 bill after they processed it? 23 A. They would write the claim number on the 24 top. Then they would put it in their, what we call</p>	<p style="text-align: right;">Page 88</p> <p>1 A. That would have been the people in the 2 mailroom. 3 Q. I'm going to go back to the claims 4 administration process. So I'm the examiner, and I 5 get the medical bill. And I see that there's a 6 doctor's charge for XYZ company and employee Smith. 7 What do I then do with it? Do I begin to log data 8 into the computer? 9 A. You would go into -- you would enter in 10 their social. Then you would pick who the claimant 11 was, whether it be the employer, the dependent. 12 Then you would go in and you would -- depending upon 13 the claim you had, you would start to process the 14 claim or you may have to go into the notes to look 15 at different notes, depending upon what you were 16 dealing with. 17 Q. When I go into the computer system, is the 18 computer system set up, do I search for employee or 19 for the group or provider or what do I look into? 20 A. You could do anything. You could look at 21 provider files, you could look at group by group, 22 and you could also go in just with the patient's 23 social. 24 Q. As the person doing the examination, how</p>
<p style="text-align: right;">Page 87</p> <p>1 the batch for that date. Then when they were done 2 for the day, they would have a cover sheet, and they 3 would write the date, their name and then their 4 approver number. Then they would go into the 5 mailroom, and they would scan their claims into the 6 scanning system that Charlie had. And they would 7 then take their paper file, the batch file and stick 8 it up on the shelf. 9 Q. At that point, if I was working for two 10 clients in one day, they would all be grouped 11 together at that point? 12 A. Correct. 13 Q. No longer segregated by client, by group? 14 A. Correct. 15 Q. But they would have then been sorted into 16 the computer system so they exist electronically? 17 A. Right, in date processed order, right. 18 Q. Then you told Mr. Rosenberg, then the 19 practice was to retain those physical copies for 120 20 days? 21 A. Approximately. 22 Q. Who was responsible for going in and 23 cleaning out the files as those 120 days kept 24 getting hit?</p>	<p style="text-align: right;">Page 89</p> <p>1 would I decide which way to begin, whether I looked 2 under the employee, whether I looked at the provider 3 or I looked at the employer? 4 A. It would depend on what you have. If 5 you're, you know, processing claims, you're going to 6 be going into the individual file first. If you're 7 a plan builder, you're going to go into the group 8 record. 9 Q. I'm talking about the claims examiner right 10 now. 11 A. You're going to go into the individual. 12 Q. The claims examiner has the option of where 13 to start? 14 A. They have the option of where they may want 15 to look for information, but they have to start at 16 the individual screen of the social. 17 Q. So the first thing they would -- the first 18 thing they should do is enter the social security 19 number? 20 A. Correct. 21 Q. And presumably that's somebody who's in the 22 system because they're an eligible employee? 23 A. Correct. 24 Q. And then a screen would pop up, correct?</p>

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<p style="text-align: right;">Page 90</p> <p>1 A. Correct.</p> <p>2 Q. Now, the way the computer system worked,</p> <p>3 would all of the parameters of the plan already be</p> <p>4 reflected in the information contained for that</p> <p>5 individual?</p> <p>6 A. It would have already been programmed, yes.</p> <p>7 Q. If the claims examiner wanted to make a</p> <p>8 determination about whether or not a particular</p> <p>9 service or product was covered, did they always have</p> <p>10 a copy of the plans available to them?</p> <p>11 A. Yes, they did.</p> <p>12 Q. How did they have those, in what form?</p> <p>13 A. Manual file.</p> <p>14 Q. They would have at their desk?</p> <p>15 A. Correct.</p> <p>16 Q. It should contain a copy of the then current</p> <p>17 summary plan?</p> <p>18 A. Correct.</p> <p>19 Q. Was that part of their job, which would be</p> <p>20 to take a look at that plan from time to time?</p> <p>21 A. Correct.</p> <p>22 Q. Would it be unusual for a claim examiner to</p> <p>23 come to you as the supervisor to ask for help on</p> <p>24 interpretation of plan benefits?</p>	<p style="text-align: right;">Page 92</p> <p>1 intelligent you are with knowing what to do with</p> <p>2 those situations, correct.</p> <p>3 Q. When the information about the medical</p> <p>4 claim, the bill is put into the computer system by</p> <p>5 the claims examiner, to my understanding based upon</p> <p>6 your earlier testimony, that the computer system</p> <p>7 will take care of a lot of the basics with respect</p> <p>8 to the appropriate payment; is that correct?</p> <p>9 MR. ROSENBERG: Objection.</p> <p>10 A. Correct.</p> <p>11 Q. For example, it should, if it's built</p> <p>12 correctly, reflect the appropriate co-pay?</p> <p>13 A. Correct.</p> <p>14 Q. And that should be built into the system</p> <p>15 right up front?</p> <p>16 A. It will be built into the system based on</p> <p>17 whatever the summary of benefits and transmittal</p> <p>18 information was provided to the plan builder at the</p> <p>19 time of sale or at the time of renewal.</p> <p>20 Q. The plan builder we've talked about, I think</p> <p>21 you told Attorney Rosenberg that Carrie Reidy did</p> <p>22 the plan build for Aubuchon?</p> <p>23 A. In the later stages, yes. Prior to that,</p> <p>24 there was a whole bunch of people in there that were</p>
<p style="text-align: right;">Page 91</p> <p>1 A. Would it be unusual?</p> <p>2 Q. Right.</p> <p>3 A. No.</p> <p>4 Q. So that did happen from time to time?</p> <p>5 A. Yes.</p> <p>6 Q. Is that correct?</p> <p>7 A. Yes.</p> <p>8 Q. Would it be fair to say there is some</p> <p>9 interpretation involved in reviewing the summary</p> <p>10 plans and looking at claims?</p> <p>11 A. Not in every case, no.</p> <p>12 Q. You say not in every case, not in every</p> <p>13 plan?</p> <p>14 A. It depends on what you're talking about with</p> <p>15 the plan. I mean, there's no interpretation to</p> <p>16 office visit. It is what it is. The</p> <p>17 interpretations come in with experimental, medical</p> <p>18 necessity, those types of issues. That's where it</p> <p>19 can get a little gray.</p> <p>20 Q. And is that an area in which you can</p> <p>21 distinguish people who are good at claims examining</p> <p>22 and maybe others who aren't as experienced or as</p> <p>23 good?</p> <p>24 A. The more experience you have, the more</p>	<p style="text-align: right;">Page 93</p> <p>1 before my time.</p> <p>2 Q. How do you know that?</p> <p>3 A. Just from what I was told.</p> <p>4 Q. You couldn't go into the system and see who</p> <p>5 built it?</p> <p>6 A. No.</p> <p>7 Q. This is information you received from people</p> <p>8 at BeneFirst?</p> <p>9 A. Correct.</p> <p>10 Q. Do you know who did the first plan build?</p> <p>11 A. The first plan build, to my knowledge and</p> <p>12 recollection, would have been done to this</p> <p>13 outsourced company down in New Jersey somewhere.</p> <p>14 When BeneFirst first opened, they outsourced all of</p> <p>15 their operations to this Rims Associated Company. I</p> <p>16 believe they're in New Jersey.</p> <p>17 Q. Do you know, just from your own discussions</p> <p>18 with people at BeneFirst, who at BeneFirst worked</p> <p>19 with Aubuchon to build their specific plan?</p> <p>20 A. I don't have any knowledge, other than when</p> <p>21 the deal with New Jersey terminated and they brought</p> <p>22 all of the stuff up to the Marshfield location. I</p> <p>23 don't know who would have been responsible for</p> <p>24 taking over that responsibility of plan building at</p>

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<p style="text-align: right;">Page 94</p> <p>1 that stage.</p> <p>2 Q. While you were working at BeneFirst, did you</p> <p>3 become aware of any errors in the underlying plan</p> <p>4 build for Aubuchon that caused it not to reflect the</p> <p>5 terms of the medical plan?</p> <p>6 A. No, not that I'm aware of. And, again, the</p> <p>7 reason I say that is because Aubuchon was so</p> <p>8 involved overall with their medical plan and also</p> <p>9 reviewing the check edits, that it would have been</p> <p>10 highly unlikely that claim errors would not have</p> <p>11 been recognized by Aubuchon themselves.</p> <p>12 Q. On that topic, I'm going to get the term</p> <p>13 right, you said the check edit?</p> <p>14 A. Edit.</p> <p>15 Q. Check edit. As I understand the process, on</p> <p>16 a monthly basis, BeneFirst would send a report to</p> <p>17 Aubuchon basically telling them this is the amount</p> <p>18 of the claims out there. We need you to fund the</p> <p>19 account in X dollars?</p> <p>20 A. Yes, and it would also list all of the</p> <p>21 people, their names, the claim numbers, et cetera.</p> <p>22 Q. I believe you told Attorney Rosenberg that</p> <p>23 you did not personally have that interaction with</p> <p>24 Sarah or Kim; isn't that correct?</p>	<p style="text-align: right;">Page 96</p> <p>1 Q. The actual medical bills would be paid by</p> <p>2 BeneFirst, right?</p> <p>3 A. No.</p> <p>4 Q. Who paid those?</p> <p>5 A. Aubuchon.</p> <p>6 Q. Is it your testimony that the check payable</p> <p>7 to doctor X or hospital Y came from Aubuchon?</p> <p>8 A. Yes, because the funds had to be received</p> <p>9 before those checks and EOB's go out the door.</p> <p>10 Q. And again, whatever you have a memory of is</p> <p>11 your testimony. But isn't it true that Aubuchon</p> <p>12 would wire transfer the money to BeneFirst, who</p> <p>13 would then make the payments on Aubuchon's behalf?</p> <p>14 A. The checks and the EOB's were already, it</p> <p>15 would have already -- it was already processed prior</p> <p>16 to the funding. That's what the whole check edit is</p> <p>17 all about is for them to review here's everything</p> <p>18 that's going to go out.</p> <p>19 Q. I understand. I'm just trying to trace the</p> <p>20 flow of money.</p> <p>21 A. Yeah.</p> <p>22 Q. If this isn't your memory or your memory is</p> <p>23 different, you tell me. But my understanding is</p> <p>24 that Aubuchon would wire transfer the money to</p>
<p style="text-align: right;">Page 95</p> <p>1 A. That's correct.</p> <p>2 Q. So to the extent that Aubuchon reviewed it</p> <p>3 or not, you have no personal knowledge of that at</p> <p>4 all?</p> <p>5 A. Nope.</p> <p>6 Q. So when you say Aubuchon being involved,</p> <p>7 that's an assumption you're making based upon things</p> <p>8 that people at BeneFirst told you?</p> <p>9 A. Well, it's based on what I was told,</p> <p>10 correct.</p> <p>11 Q. Yes, people at BeneFirst.</p> <p>12 A. Correct.</p> <p>13 Q. Not your own personal interaction with</p> <p>14 Aubuchon at all?</p> <p>15 A. Correct.</p> <p>16 Q. So you really have no personal knowledge of</p> <p>17 whether or not anybody at Aubuchon ever reviewed</p> <p>18 that check edit report?</p> <p>19 A. Correct.</p> <p>20 Q. Then Aubuchon would then wire transfer money</p> <p>21 to BeneFirst?</p> <p>22 A. I'm not sure what their method was.</p> <p>23 Q. You weren't involved in that part?</p> <p>24 A. No.</p>	<p style="text-align: right;">Page 97</p> <p>1 BeneFirst to fund the payment of the bills. But the</p> <p>2 money, after it was transferred in from Aubuchon,</p> <p>3 would actually come from BeneFirst to the providers.</p> <p>4 That's not consistent with your memory?</p> <p>5 A. No, my knowledge was there was a claim</p> <p>6 account. The money goes in the claim account. And</p> <p>7 once the money's there, the outsource vendor, ABF</p> <p>8 cuts the check and EOB's.</p> <p>9 Q. Who was the --</p> <p>10 A. ABF.</p> <p>11 Q. Do you know what that stands for?</p> <p>12 A. Advanced Business Fulfillment.</p> <p>13 Q. Who contracted with ABF?</p> <p>14 A. Charlie.</p> <p>15 Q. Mr. Dobbins?</p> <p>16 A. Yes.</p> <p>17 Q. BeneFirst?</p> <p>18 A. Charlie Dobbins.</p> <p>19 Q. So maybe I missed a step. BeneFirst</p> <p>20 contracted with ABF to actually make the payments?</p> <p>21 A. No, ABF is a vendor that provides the</p> <p>22 service of printing and mailing checks and</p> <p>23 explanation of benefits for a fee. It's an</p> <p>24 outsourced process as opposed to someone at</p>

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1 **BeneFirst printing them out in the mailroom.**
 2 Q. In your experience, do some third-party
 3 administrators do that themselves?
 4 **A. Some, but very rare.**
 5 Q. Mostly they contract out?
 6 **A. They're outsourced, yeah.**
 7 Q. But that was a decision made by BeneFirst as
 8 to whether to do it internally or outsource it?
 9 **A. I would assume so, yes.**
 10 Q. Because you understood that part of
 11 BeneFirst's responsibilities was to send those bills
 12 and EOB's out, right?
 13 **A. Correct.**
 14 Q. Was it on a monthly basis that BeneFirst
 15 would instruct ABF on who to pay and how much?
 16 **A. No.**
 17 Q. How often did that happen?
 18 **A. Depended on the client and how they were set**
 19 **up to fund.**
 20 Q. Do you know how it worked on Aubuchon?
 21 **A. I don't remember.**
 22 Q. Whatever the agreement was with the client,
 23 that's how often it would happen?
 24 **A. Yeah, whatever Aubuchon wanted, however they**

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1 **wanted to fund, whether they wanted to fund once a**
 2 **month or twice a month or three times a month,**
 3 **whatever it was is how they would have been set up.**
 4 Q. You talked a little bit this morning about
 5 efforts to collect overpayments.
 6 **A. Uh-hum.**
 7 Q. Did you personally get involved in those
 8 efforts on behalf of the Aubuchon account?
 9 **A. No.**
 10 Q. Who would have done that at BeneFirst?
 11 **A. Again, very broad topic, but it would have**
 12 **been the claims examiner would have been the main**
 13 **person involved with that.**
 14 Q. The way you had it structured when you were
 15 at BeneFirst was that the claims examiner would be
 16 the person to determine whether to seek collection
 17 of an overpayment?
 18 **A. Correct. If we were informed say via**
 19 **customer service message that a claim was paid**
 20 **duplicate or overpaid for whatever reason, the**
 21 **claims examiner would send out the request and the**
 22 **letter.**
 23 Q. They wouldn't go to you for the authority to
 24 do that, that's something they had the authority to

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1 do?
 2 **A. Yes.**
 3 Q. Do you know whether or not as part of the
 4 process the client was informed of that activity?
 5 **A. I have no idea. I don't remember.**
 6 Q. You're not aware of any system that was in
 7 place that would notify the client any time there
 8 was an overpayment and an effort to recover it?
 9 **A. No, I don't -- I mean, the only time that**
 10 **would happen is if there was a specific question**
 11 **posed by, you know, a client. If there was a**
 12 **situation with somebody and, you know, we notified**
 13 **the client we were requesting the money back. But I**
 14 **mean, there's a gajillion scenarios.**
 15 Q. But from the client's perspective, the
 16 client -- seeking repayment of an overpayment would
 17 happen oftentimes without the client's knowledge?
 18 **A. That's correct.**
 19 Q. You talked a little bit about eligibility,
 20 determining eligibility to receive benefits. As I
 21 understand your testimony, BeneFirst would receive
 22 information from a client, including Aubuchon, with
 23 respect to who was eligible and not, right?
 24 **A. Correct.**

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1 Q. And that information would be put into the
 2 computer system?
 3 **A. Correct.**
 4 Q. If you received a medical bill or when you
 5 received a medical bill and you took a look at the
 6 name and it wasn't in the system, what would the
 7 claims examiner do with that?
 8 **A. They normally would go to Pam Furlong, and**
 9 **Pam would look to see if she had an enrollment form**
 10 **for that person waiting to be data entered. If not,**
 11 **then the examiner or Pam or a combination thereof**
 12 **would go back to the client and say we've got a bill**
 13 **on Mr. Smith, and we don't have Mr. Smith. They**
 14 **would, you know, resolve the issue.**
 15 Q. And if it was a situation in which there was
 16 a dependent, I think you told us for example it's an
 17 older teen, the examiner would ask the appropriate
 18 questions, at least that was the process that was
 19 supposed to be undertaken?
 20 **A. Right. At BeneFirst if there was a child**
 21 **that was of college age, Pam Furlong managed that**
 22 **process of going out and getting updated**
 23 **information. And that information would be put into**
 24 **the eligibility files so that the examiner would**

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<p style="text-align: right;">Page 102</p> <p>1 know that, yes, we received documentation from U. 2 Mass. that they were enrolled through whatever year. 3 Q. Pam Furlong was an employee benefits person? 4 A. Correct. 5 Q. So she would be -- part of her job was to 6 get that information from the college/university? 7 A. Correct. 8 Q. How about a situation in which a child had a 9 different last name than the employee, is that 10 something that somebody from BeneFirst would look 11 into? 12 A. It would have resided in Pam's area. If she 13 saw a different last name, to verify why is there a 14 different last name. 15 Q. For example, might have been a situation 16 where there was a remarriage after divorce? 17 A. Correct, yup. 18 Q. Is that correct? 19 A. Adoption, remarriage, all kinds of 20 scenarios. 21 Q. So whoever the claims examiner is at 22 BeneFirst when they see that, part of their 23 responsibility would be to follow up to find out 24 why; is that fair to say?</p>	<p style="text-align: right;">Page 104</p> <p>1 A. Documentation, correct. 2 Q. -- whether or not the person's eligible? 3 A. Correct. 4 Q. There was some testimony on I think it was 5 multiple plan discounts, do you recall those 6 questions? 7 A. Multiple surgery. 8 Q. No, there was something on multi-plan. 9 A. Oh, multi-plan. 10 Q. Multi-plan? 11 A. Yeah. 12 Q. What was multi-plan? 13 A. They're a PPO network, repricing company. 14 Q. Would it be apparent on the bill of whether 15 or not this was something that would fall within the 16 multi-plan discount? 17 A. On the bill? No. 18 Q. What would the examiner do? What would he 19 look at? 20 A. The examiner would look at the transmittal 21 and the plan doc, and you would see what employees 22 in what locations were accessing multi-plan. Then 23 when you received a bill in on those people and the 24 provider was from those states or areas, then the</p>
<p style="text-align: right;">Page 103</p> <p>1 A. I would say that eligibility -- Pam's area 2 had the primary responsibility over that. The 3 examiner, when they went into the system to pay a 4 claim on the different last name, they wouldn't do 5 any action unless they had reason to themselves. 6 Q. So if they saw -- claims examiner would 7 notice a different last name, you're saying their 8 first phone call was to Pam? 9 A. If they had a question about that, yes. 10 Q. Well, if it's a different last name, they 11 should have a question, shouldn't they? 12 A. Again, it depends on the situation. If 13 they're already in the system as an eligible 14 dependent with a different last name, then the 15 verification process has already happened. 16 Q. In a situation, though, in which there 17 hasn't been a prior claim paid for the individual, I 18 think what you're telling me is that the examiner 19 would not go back to the client, but would first go 20 to Pam? 21 A. If they had -- right, if they had reason to, 22 yeah. 23 Q. Then it would be up to Pam to do the 24 appropriate research to determine --</p>	<p style="text-align: right;">Page 105</p> <p>1 claim would be pended to go have the multi-plan 2 reprice. And multi-plan I believe, I can't remember 3 specifically, but I believe that they were mailed 4 out for repricing. Then I think at some point we 5 had access to do some things on line, but I can't 6 remember specifics. 7 Q. And all those activities you just described 8 would occur at the claims examiner level? 9 A. Yes. 10 Q. So they had to make some judgment of when to 11 access that information or not? 12 A. Correct. 13 Q. You did talk about the multiple surgery 14 rules as well. What I wrote down is that it was a 15 complicated process. Is that fair to say? 16 A. Yes. 17 Q. Is this an area in which being experienced 18 and having a good background assisted in being an 19 effective claims examiner? 20 A. It helps, yes. 21 Q. Did it require the exercise of some judgment 22 and skill in knowing how and when to apply those 23 rules? 24 A. It would have required the judgment to go to</p>

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<p style="text-align: right;">Page 106</p> <p>1 the plan to see how it addressed multiple surgeries 2 and to follow what it said. 3 Q. In your experience in this industry, are 4 there areas typically within most plans that are 5 gray about what's covered or not or is it always 6 black and white? 7 A. Pretty black and white. 8 Q. Are there any areas, though, in which 9 there's some interpretation necessary, in your 10 experience? 11 A. Just areas again around, you know, 12 experimental, investigational, you know, the 13 instances where you have someone with a lot of 14 complications where they're looking to have some 15 type of treatment that maybe is cutting edge 16 treatment and you need to go out for an independent 17 opinion. But for the most part, the plan is the 18 plan. 19 Q. In those instances that you described where 20 there's some complexity to it, in the first instance 21 the claims examiner would make that determination? 22 A. The claims examiner would make the 23 determination if something needed to go out for 24 review, yes. But prior to the bills being dropped</p>	<p style="text-align: right;">Page 108</p> <p>1 examiner in the first instance? 2 A. Correct. 3 Q. I would think that would require some level 4 of judgment in making that determination; is that 5 correct? 6 A. Correct. 7 Q. That's not always obvious, is it? 8 A. No. 9 Q. You also asked some questions about the 10 coordination of benefits, do you recall that 11 examination? 12 A. Yes. 13 Q. Oftentimes that involved when there were 14 multiple insurance companies available to provide 15 for coverage, right? 16 A. The most common were auto and if the spouse 17 was fully employed with other insurance. 18 Q. Again, the claims examiner would be the 19 first person that would take a look at that issue 20 and make some determinations of whether or not there 21 should be a coordination of benefits? 22 A. Correct. 23 Q. And clearly as Aubuchon would expect and 24 rely upon its third-party administrator BeneFirst to</p>
<p style="text-align: right;">Page 107</p> <p>1 is usually when we run into those situations. It 2 happens at the pre-certification level. So very 3 rarely would you run into a situation where a couple 4 hundred thousand in claims have already been 5 dropped. It happens at a much earlier stage. 6 Q. Do you have any memory personally on the 7 Aubuchon account of any situations in which a claims 8 examiner ever had to send something for review after 9 the bill had come in? 10 A. Not off the top of my head. 11 Q. You were asked some questions about pursuing 12 subrogation rights, do you recall those questions? 13 A. (Witness nodded) 14 Q. You have to say -- I know you're saying yes. 15 A. Yes, sorry, getting lulled in. 16 Q. If you want to take a break, just let me 17 know. 18 A. That's okay. 19 Q. At least as the first line of attack, the 20 claims examiner would receive some information on 21 the bill which would indicate to them whether or not 22 that's an area they should look into or not? 23 A. Correct. 24 Q. That was the responsibility of the claims</p>	<p style="text-align: right;">Page 109</p> <p>1 undertake that charge, right? 2 MR. ROSENBERG: Objection. 3 A. Correct. 4 Q. That wouldn't surprise you if that was their 5 expectation, right? 6 A. It would not surprise me. 7 Q. And as the person responsible for the claims 8 administration process at BeneFirst, you expected 9 that your claims examiners were doing that? 10 A. Correct. 11 Q. Based upon your personal experience as 12 opposed to what people at BeneFirst may have told 13 you, did you have any personal experience going to 14 Aubuchon to seek their input on the resolution of 15 any subrogation claims or coordination of benefits? 16 A. No. 17 Q. Putting aside the conference call you told 18 us about and that meeting towards the end of 2004 19 that you told us about, do you recall any specific 20 exchanges that you had with anybody at Aubuchon 21 dealing with payment of benefits? 22 A. I had conversations periodically with Sarah, 23 with Kim. But as far as specifics go -- 24 Q. I know it's a number of years ago. But do</p>

28 (Pages 106 to 109)

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<p style="text-align: right;">Page 134</p> <p>1 A. Yes.</p> <p>2 Q. What's the difference between the two?</p> <p>3 A. Well, the difference is that the aggregate</p> <p>4 report, whether it be system based or a report that</p> <p>5 someone puts together, is based on unaudited and</p> <p>6 unreviewed findings. In other words, it's just</p> <p>7 based on the information that is being pulled from</p> <p>8 the claim system. That is a benchmark as to what</p> <p>9 you could possibly have as an aggregate claim. But</p> <p>10 the actual financial audit of that aggregate in the</p> <p>11 contract period is where you will actually come up</p> <p>12 with if there indeed was a breach; and if so, how</p> <p>13 much was the actual dollar amount.</p> <p>14 Q. And the stop loss reinsurer is going to</p> <p>15 reimburse only on the basis of the actual numbers,</p> <p>16 correct?</p> <p>17 A. That is correct.</p> <p>18 Q. Do you know whether the estimate was</p> <p>19 communicated to Aubuchon?</p> <p>20 A. I believe the amount that was communicated</p> <p>21 to Aubuchon was that large amount, and I believe it</p> <p>22 was communicated via Paul.</p> <p>23 Q. I'm going to show you what was marked as</p> <p>24 Exhibit 1.</p>	<p style="text-align: right;">Page 136</p> <p>1 examiner sits down to do that, the information on</p> <p>2 that screen is already programmed for that group?</p> <p>3 A. Correct.</p> <p>4 Q. How is that programmed in there for that</p> <p>5 group?</p> <p>6 A. It would be programmed via the plan building</p> <p>7 process.</p> <p>8 Q. And the plan building process would get that</p> <p>9 information for the group from where?</p> <p>10 A. From the salesperson.</p> <p>11 Q. In doing the plan build out, what</p> <p>12 information would they get from the salesperson?</p> <p>13 A. Any changes to the plan document or the</p> <p>14 summary of benefits and what is the renewal stop</p> <p>15 loss policy conditions, what is the basis, what is</p> <p>16 the spec deductible, those types of things.</p> <p>17 Q. Is the person doing the plan build out</p> <p>18 expected to follow the client's written medical</p> <p>19 benefit plan?</p> <p>20 A. The plan builder is going to go by what</p> <p>21 they're being told is what the client wants.</p> <p>22 Q. Now, you had testified about this fact that</p> <p>23 the claims examiner has to engage in some</p> <p>24 interpretation when it's processing a claim.</p>
<p style="text-align: right;">Page 135</p> <p>1 (Document exhibited to witness)</p> <p>2 Q. Does that reflect the estimate that was</p> <p>3 provided to Aubuchon?</p> <p>4 A. I can't recall -- I'm assuming that, yes, it</p> <p>5 would reflect it.</p> <p>6 Q. This letter was addressed to you, correct?</p> <p>7 A. Yes.</p> <p>8 Q. In it does it discuss the estimate being</p> <p>9 provided for the reimbursement?</p> <p>10 A. Yes.</p> <p>11 Q. And do you see where it further states that</p> <p>12 we are hopeful that the audit will support that. In</p> <p>13 your experience, then, there's a difference between</p> <p>14 the estimated amount and what will actually be paid?</p> <p>15 A. Correct.</p> <p>16 Q. What will actually be paid is dependent on</p> <p>17 the audit?</p> <p>18 A. Correct.</p> <p>19 Q. You were talking about how the claims</p> <p>20 examiner working with a particular claim will begin</p> <p>21 with the information on the individual screen, do</p> <p>22 you remember that?</p> <p>23 A. Yes.</p> <p>24 Q. And you had testified that when the claims</p>	<p style="text-align: right;">Page 137</p> <p>1 A. Correct.</p> <p>2 Q. Now, even in doing that interpretation --</p> <p>3 well, in doing that interpretation, are they to take</p> <p>4 into account the written plan terms of the client?</p> <p>5 A. Yes.</p> <p>6 Q. In engaging in this type of interpretation,</p> <p>7 are they only to authorize a claim for payment if</p> <p>8 it's within the coverage of the plan?</p> <p>9 A. Yes.</p> <p>10 Q. Now, you had talked about the check edit</p> <p>11 report phase. Was this a process that was in place</p> <p>12 with other accounts as well as Aubuchon?</p> <p>13 A. It would have been in place for every</p> <p>14 client.</p> <p>15 Q. Because every client pays and funds in the</p> <p>16 same manner?</p> <p>17 A. Correct. It's just a mechanism whether it's</p> <p>18 a transfer or physical check, but they would all get</p> <p>19 check edits.</p> <p>20 Q. At BeneFirst, in the normal course of</p> <p>21 business if there were complaints from a client</p> <p>22 during the check audit review or at the check edit</p> <p>23 review, in normal course of operation, would that</p> <p>24 eventually come to your attention?</p>

35 (Pages 134 to 137)

Paul Gatanti, Jr.

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1 **A. In some cases, but they were rare.**
 2 Q. Why would they come to your attention?
 3 **A. If the funding department or if the claims**
 4 **examiner either didn't know how to answer the**
 5 **question or what to say or if there was confusion,**
 6 **something of that nature.**

7 Q. Did any issues arising from Aubuchon in its
 8 check edit review ever make its way up the ladder to
 9 you?

10 **A. Not that I can recall. The only things that**
 11 **I can recall again were just in regard to these**
 12 **exceptions.**

13 Q. If an issue arose with regard to a check
 14 edit review, who was the person at BeneFirst who
 15 would deal with those issues?

16 **A. It would start with Kristen David, who**
 17 **handled all of the funding and the check edit**
 18 **process. And if there was a claim question coming**
 19 **from the client, she would bring it to the claims**
 20 **examiner's attention, she may bring it to my**
 21 **attention, she may go to Charlie Dobbins or Paul**
 22 **Sullivan, depending on the situation.**

23 Q. In the normal course of business, would the
 24 claims examiner often resolve it him or herself?

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1 **A. As best I can remember, yes.**

2 Q. Would it come to your attention in the
 3 normal course of business if any of these check edit
 4 review processes resulted in a change in the plan
 5 build out?

6 **A. Not necessarily. I'm not really**
 7 **understanding.**

8 Q. If a check edit review raised a problem that
 9 required a change to how the plan was built out in
 10 the BeneFirst system, would that come to your
 11 attention?

12 **A. If the check edit review identified a**
 13 **benefit being built incorrectly, say a co-pay is**
 14 **being taken wrong or paid, then the normal course of**
 15 **business would be that the claims examiner would**
 16 **fill out a, I believe we called it like a plan**
 17 **building problem sheet. And that sheet would go to**
 18 **the plan builder to fix the issue.**

19 Q. Would it come to you?

20 **A. Not necessarily. Only if, you know, someone**
 21 **was like really, really upset or if no one else was**
 22 **around, sometimes it would come to me. But as a**
 23 **general rule, the process was that, you know, plan**
 24 **building had this error sheet or this little,**

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1 **however you want to call it, but that they would use**
 2 **that as okay, we have a claim that's taking the**
 3 **wrong co-pay, we have a claim that's taking the**
 4 **wrong co-insurance, and they would fix it.**

5 Q. Do you recall any issues of that nature with
 6 regard to the Aubuchon account ever coming to your
 7 attention?

8 **A. None that I can recall.**

9 Q. During the time that you were there, who was
 10 the plan builder responsible for making any such
 11 changes to the Aubuchon account?

12 **A. Carrie Reidy, and then there was a woman for**
 13 **a short period of time, maybe six months or so. But**
 14 **I can't remember her name. She's an older woman.**
 15 **Then it went back to Carrie.**

16 Q. And that covered the whole time period you
 17 were there?

18 **A. Yes.**

19 Q. You testified about what would be done with
 20 regard to certain questions about the eligibility
 21 for coverage of dependents; do you recall that?

22 **A. Yes.**

23 Q. And you had talked about the need to, what
 24 would be done to verify if a dependent had a

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1 different last name than the employee; do you recall
 2 that?

3 **A. Yes.**

4 Q. How would that be verified?

5 **A. That would be verified by the eligibility,**
 6 **Pam Furlong going back to the employer group to ask**
 7 **for clarification and/or possible documentation as**
 8 **to why this person with a different last name was a**
 9 **legitimate dependent.**

10 Q. Then you had also talked about I guess
 11 procedurally how this would work if a dependent --
 12 if there was no prior claim for a dependent, do you
 13 recall talking about that?

14 **A. Uh-hum, yes.**

15 Q. When the process begins, the employee and
 16 its dependent information is forwarded to BeneFirst,
 17 correct?

18 **A. Correct.**

19 Q. Are those individuals set up on the system
 20 at that point or are they not set up until there's a
 21 first medical claim?

22 **A. They are set up as soon as the enrollment**
 23 **form is received and processed.**

24 Q. So at that point, even before there was any

36 (Pages 138 to 141)

Paul Gatanti, Jr.

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1 Q. When you say you were paying, Starline --
 2 **A. On behalf of the reinsurers.**
 3 Q. So Starline was authorized to pay stop loss
 4 claims on behalf of the reinsurers?
 5 **A. That's correct.**
 6 Q. Can you tell us how many audits you were
 7 involved with at Starline?
 8 **A. Many.**
 9 Q. More than a hundred?
 10 **A. Probably, yeah, probably.**
 11 Q. For any of those edits, was there ever one
 12 in which every single medical claim in the plan was
 13 audited for the relevant time period?
 14 **A. No.**
 15 Q. What was the normal process?
 16 **A. Are you talking specific claim or aggregate**
 17 **claim?**
 18 Q. Let's start with aggregate claim, what would
 19 be the process?
 20 **A. Aggregate claim would be just a random**
 21 **sampling.**
 22 Q. Was there any standard number or percentage
 23 that you saw?
 24 **A. You know, a hundred claims. If it was a**

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1 **really big breach, maybe you want to look at one**
 2 **hundred and -- two hundred claims. But I would say**
 3 **right around a hundred to two hundred would probably**
 4 **have been the norm.**
 5 Q. Now, you were talking before about this
 6 question of auditing versus the information on an
 7 electronic system versus the actual hard copies.
 8 When you were talking about the information on the
 9 hard copy -- I mean, strike that, on the electronic
 10 system, you were identifying the information that
 11 would be on there, correct?
 12 **A. Correct.**
 13 Q. What is that information that you described
 14 in the electronic screen that you would be looking
 15 at?
 16 **A. That information is all of the data fields**
 17 **that appear on a UB or an HCFA.**
 18 Q. So that should be taken from that and
 19 entered on the electronic system?
 20 **A. Yes. So it would be data entered from the**
 21 **paper onto the electronic system.**
 22 Q. In your experience with Starline for
 23 auditing on behalf of the reinsurers, what was the
 24 normal practice? Did they audit from that

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1 electronic information?
 2 **A. We audited from the paper files, because at**
 3 **that particular time, electronic was still kind of**
 4 **new. So a lot of my work was still copies of the**
 5 **bills. But, again, that's all changed in today's**
 6 **world.**
 7 Q. What's done today?
 8 **A. It's more and more looking at paid claim**
 9 **reports and electronic files, especially where now a**
 10 **lot of providers are only submitting electronic data**
 11 **sets. There's still some paper out there. But back**
 12 **when I was at Starline, the electronic was still**
 13 **pretty small.**
 14 Q. Do you recall any stop loss audits of
 15 BeneFirst while you were at BeneFirst for any
 16 account?
 17 **A. I believe there was, but I can't recall the**
 18 **specifics.**
 19 Q. So as you sit here, do you remember whether
 20 those audits were of the electronic information or
 21 the hard copy information?
 22 **A. I want to say hard copy.**
 23 MR. ROSENBERG: That's all I have.
 24 MR. CIAVARRA: I have a couple

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1 questions.
 2 RE CROSS EXAMINATION
 3 BY MR. CIAVARRA
 4 Q. Exhibit 1, I'm not -- you recall the letter
 5 that you saw?
 6 **A. Yes.**
 7 Q. The letter is dated September 20, 2004. By
 8 the time this letter was written, the folks at
 9 BeneFirst had been aware for how long about the
 10 errors in the RCR report?
 11 **A. Months.**
 12 Q. Who was the most senior claims examiner at
 13 BeneFirst when you were there?
 14 **A. Beginning, end, middle?**
 15 Q. At the time you left, who did you consider
 16 to be the senior claims examiner?
 17 **A. Robin Bannaman.**
 18 Q. Robin, is that a woman?
 19 **A. Yes.**
 20 Q. How much was she being paid?
 21 **A. I think she was probably right around 38**
 22 **thousand.**
 23 Q. Was that the typical pay rate for the
 24 examiners or is that high?

38 (Pages 146 to 149)

Paul Gatanti, Jr.

<p style="text-align: right;">Page 150</p> <p>1 A. It ranged anywhere from, you know, the mid 2 20's to the high 30's, depending on their 3 background. 4 Q. Last question or last follow-up, anyway. 5 When a medical bill would come and the claims 6 examiner would see it and it would reference an 7 accident, the determination of whether to 8 investigate that accident as to whether there was a 9 cost if somebody might be responsible for that in 10 the first instance resided with the examiner, right? 11 A. Correct. 12 Q. And if the claims examiner just didn't 13 follow up on that, that would be an error by the 14 claims examiner, right? 15 A. Procedural error, correct. 16 MR. CIAVARRA: Thank you, no further 17 questions. 18 MR. ROSENBERG: I have no further 19 questions. 20 (Whereupon, at 1:33 the deposition 21 concluded) 22 23 24</p>	<p style="text-align: right;">Page 152</p> <p>1 COMMONWEALTH OF MASSACHUSETTS) 2 SUFFOLK, SS.) 3 I, Linda M. Grieco, Professional Shorthand 4 Reporter and Notary Public in and for the 5 Commonwealth of Massachusetts, do hereby certify 6 that PAUL GATANTI, JR., the witness whose deposition 7 is hereinbefore set forth, was duly sworn by me and 8 that such deposition is a true record of the 9 testimony given by the witness. 10 I further certify that I am neither related to 11 or employed by any of the parties in or counsel to 12 this action, nor am I financially interested in the 13 outcome of this action. 14 In witness whereof, I have hereunto set my hand 15 and seal this 17th day of April, 2008. 16 17 18 19 20 21 Linda M. Grieco 22 Notary Public 23 My commission expires 24 December 15, 2011</p>
<p style="text-align: right;">Page 151</p> <p>1 C E R T I F I C A T E 2 I, PAUL GATANTI, JR., do hereby certify 3 that I have read the foregoing transcript of my 4 testimony, and further certify that it is a true and 5 accurate record of my testimony (with the exception 6 of the corrections listed below): 7 Page Line Correction 8 _____ 9 _____ 10 _____ 11 _____ 12 _____ 13 _____ 14 _____ 15 _____ 16 _____ 17 _____ 18 19 Signed under the pains and penalties of perjury this 20 ____ day of _____, 2008. 21 22 23 _____ 24 PAUL GATANTI, JR.</p>	

39 (Pages 150 to 152)

5

1 UNITED STATES DISTRICT COURT

2 DISTRICT OF MASSACHUSETTS

3 -----x

4 W.E. AUBOCHON CO., INC., AUBOCHON

5 DISTRIBUTION, INC., W.E.

6 AUBOCHON CO., INC. EMPLOYEE MEDICAL

7 BENEFIT PLAN, and AUBOCHON DISTRIBUTION, INC.

8 EMPLOYEE MEDICAL PLAN,

9 Plaintiff,

10 v. C.A. No. 05-40159 FDS

11 BENEFIRST, LLC,

12 Defendant.

13 -----x

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15

16 DEPOSITION of CARRIE REDDIE, a witness

17 called for examination by the Defendant, taken

18 pursuant to Rule 30 of the Massachusetts Rules

19 of Civil Procedure, before Laurie K. Langer,

20 Registered Professional Reporter and Notary

21 Public in and for the Commonwealth of

22 Massachusetts, at the McCormack Firm, One

23 International Place, Boston, Massachusetts, on

24 Friday, May 16, 2008, commencing at 10:30 a.m.

Page 2

1 APPEARANCES

2

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9 For the Plaintiff

10

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16 For the Defendant

17

18

19

20

21

22

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24

Page 4

1 PROCEEDINGS

2

3 MR. ROSENBERG: Usual stipulations?

4 MR. KILLMAN: That's fine.

5

6 CARRIE REDDIE,

7 having been satisfactorily identified by the

8 production of her driver's license, and duly

9 sworn by the Notary Public, was examined and

10 testified as follows:

11

12 EXAMINATION

13

14 BY MR. ROSENBERG:

15 Q. Good morning, Miss Reddie.

16 A. Hi.

17 Q. My name is Steve Rosenberg, I represent

18 BeneFirst, Inc. The first question I had for

19 you, have you ever been deposed before?

20 A. Huh-uh.

21 Q. Okay. Let me just give you some ground rules to

22 understand what's going on. I'm going to ask

23 you a series of questions, the court reporter

24 will take down my questions and your answers.

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1 INDEX

2 ATTORNEY EXAMINATION CROSS REDIRECT

3 Mr. Rosenberg 4 97, 117, 121

4 Mr. Killman 47, 115, 119

5

6 EXHIBIT PAGE

7 1 7/2/04 E-mail to Maureen FitzGerald

8 from Carrie Reddie 83

9

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Page 5

1 You need to answer verbally, she can't put onto
2 the record nods or shakes of the head, so forth.3 And in addition, if any of my questions you
4 don't understand just tell me and I'll be happy
5 to clarify them. If you need a break at anytime
6 just let me know and we'll take a break.7 The stipulations that the parties have
8 agreed to is that all objections except as to
9 form and all motions to strike are reserved
10 until the time of trial.11 Miss Reddie, you have the option, if you
12 want, to read the transcript of the deposition
13 afterwords to see if there's anything in it that
14 you think is incorrect and note any changes and
15 sign it and send it back.

16 A. Okay.

17 Q. Would you like to do that?

18 A. Yeah, actually I would.

19 Q. Would 30 days be long enough?

20 A. Yeah, that's fine.

21 Q. Okay.

22 MR. ROSENBERG: Do you want to waive the
23 notary?

24 MR. KILLMAN: We can waive the notary.

2 (Pages 2 to 5)

1 Q. Okay. And you also worked there as a claims
2 examiner?
3 A. Yes.
4 Q. Okay. Could you take me through the steps as to
5 how a claims examiner would process a claim on
6 any particular account?
7 A. Yeah, you put in the Social Security number,
8 then their individual account would pop up. You
9 would go into a screen where you put the diag
10 in, and the data of service, diag, some other
11 information, provider, or whatever and you hit
12 it and the actual claims processing screen would
13 come up. You pick the provider, you punch in
14 the CPT codes and the diags, and, you know, I
15 guess when you hit enter it would process the
16 claim. You could tell right there if it was
17 processing right. But there were other things
18 the claims examiner had to do, like the fee
19 schedules were never up to date in our computers
20 so we would have a list of the current fee
21 schedules, we have to manually make sure that
22 it, you know, paid the right amount. You know,
23 took the right discount. And then hopefully it
24 would just process correctly if I built the plan

1 right or if the plan was built right. And then
2 you would hit enter and it would get paid or
3 whatever. Get processed.
4 Q. All right. And were you ever the claims
5 examiner -- well, when you were a claims
6 examiner did you have particular accounts you
7 were responsible for?
8 A. Yes.
9 Q. Okay. Were you ever responsible for the
10 Aubochon account?
11 A. Yes, I was.
12 Q. Okay. Were those claims processed in the manner
13 you just described?
14 A. Yeah.
15 Q. And so if I understand this correctly, it's
16 processed on the computer; --
17 A. Uh-huh.
18 Q. -- correct? Okay. And then the computer will
19 either approve or not approve?
20 A. The claim, yeah. Based on how the plan is set
21 up, yeah.
22 Q. And the way the system is set up is the computer
23 is processing it based on the plan build out
24 information?

1 A. Uh-huh.
2 Q. Okay. And do you know -- well, strike that.
3 Well, do you know where -- strike that.
4 Did you ever -- I'm trying to get the
5 chronology straight.
6 A. You sound like my professor, he's a lawyer,
7 "strike that, strike that." He's such a lawyer.
8 Q. A terrible habit in real life. Did you ever see
9 the actual plan documents for the Aubochon
10 account?
11 A. Yes.
12 Q. And when did you see those?
13 A. I guess when I took, when I started processing
14 the claims. Because I processed the claims for
15 Aubochon before I became a plan builder so I
16 guess when I first started processing their
17 claims, I would say.
18 Q. So you would use the plan documents as well
19 during the course of --
20 A. Yeah. Like I would have it open when I was
21 processing claims, whatever account I was
22 processing I would make sure I had the SOB or
23 plan document in front of me. So I could make
24 sure that the system was doing it right and if

1 it wasn't then I either fix it myself, if I knew
2 how, after I became a plan builder, or I would
3 give it to the plan builder and say, "this isn't
4 paying, fix it."
5 Q. So as the claims examiner you would make sure
6 that what the computer was processing matched up
7 with the plan documents themselves?
8 A. Yeah, you're supposed to. Yeah. I would. Some
9 of the other girls might not have, but I tried
10 my best.
11 Q. Is that what you did with the Aubochon claims?
12 A. Yes.
13 Q. Would you ever authorize a claim for payment
14 that the computer rejected?
15 A. If it rejected it incorrectly then, yes. If
16 it's denied I would let it deny. If it was a
17 benefit they didn't have, yeah, I would let it
18 deny. If it was a benefit that's denied that I
19 knew, "no, that's not right, it shouldn't be
20 denied because it says right here" I would
21 either have it fixed or fix it myself to make it
22 pay. But if it was a denied benefit I wouldn't
23 pay it unless Aubochon called me and told me to.
24 Q. So this is how you would work on the Aubochon

1 accounts when you were processing the claims?
 2 A. Uh-huh.
 3 Q. When you say if the computer was wrong, you
 4 would determine that by matching it up to the
 5 plan document?
 6 A. Yeah.
 7 Q. And you would let the written plan document tell
 8 you what the answer should be?
 9 A. Yeah. Uh-huh.
 10 Q. And would you -- on the Aubochon account would
 11 you ever pay a claim that the computer rejected
 12 that wasn't covered under the written plan
 13 terms?
 14 A. Not on my own, no.
 15 Q. Were there ever times where, in your experience,
 16 Aubochon claims were authorized for payment that
 17 weren't covered under the plan terms?
 18 A. Did I -- repeat the question.
 19 Q. Okay. You said that not on your own, --
 20 A. Yeah.
 21 Q. -- you wouldn't do that?
 22 A. I wouldn't.
 23 Q. Were there ever times where claims for the
 24 Aubochon account were paid that should not have

1 been covered under the terms of the plan?
 2 A. Possibly. I -- possibly. I don't know.
 3 Because I wasn't the only one that touched it so
 4 I can't tell you 100 percent. I don't know.
 5 Q. Well, did you ever authorize any claims to be
 6 paid on the Aubochon account that were not
 7 covered under the plan's terms?
 8 A. No.
 9 Q. Did anyone ever instruct you to?
 10 A. Sometimes Aubochon would, yeah. They would tell
 11 me to pay it outside the loss fund or something.
 12 Q. Okay. And who at Aubochon would tell you that?
 13 A. Either Sara or -- let's see. Sara and Kim. Kim
 14 McMahon.
 15 Q. And how often did this occur in your experience?
 16 A. Oh, frequently. Often to frequently. It would
 17 seem like every time somebody would call up
 18 screaming because we denied their claim she
 19 would call and say, "just pay it outside the
 20 loss fund."
 21 Q. When you say someone would call up screaming,
 22 would this be an Aubochon employee?
 23 A. Yeah. If we denied their claims we would tell
 24 them it's not a covered benefit and they would

1 go to their H.R., if they want it paid they
 2 would go, "it's okay, pay it outside of the loss
 3 fund."
 4 Q. "They" being the people at Aubochon?
 5 A. Yeah.
 6 Q. How frequently were you in contact with people
 7 from Aubochon in general?
 8 A. Once a week or once every two weeks. Maybe.
 9 Q. And were you in regular contact with Sarah Orell
 10 (ph.) or Kim McMahon?
 11 A. Kim, yeah.
 12 Q. What --
 13 A. Like e-mails, like, you know, if there was an
 14 issue, whatever, they would e-mail me or I would
 15 call them. They would call me, whatever.
 16 Q. How would they, when they would instruct you to
 17 pay a claim outside of the loss fund, would they
 18 do that over the phone or by e-mail; how would
 19 that occur?
 20 MR. KILLMAN: Objection.
 21 A. Both. I usually like to get it in writing so I
 22 would say e-mail it to me or, you know. But
 23 sometimes it was verbally, I think. I'm not 100
 24 percent sure, but maybe sometimes it might have

1 been verbal, yeah.
 2 Q. Okay. And did anyone in your experience at
 3 BeneFirst have the authority to decide to pay
 4 something outside of the loss fund?
 5 A. Nobody should have, no.
 6 Q. That solely was Aubochon?
 7 A. Yeah, that was their call, not us.
 8 MR. KILLMAN: Objection.
 9 Q. Now, take me through the process. If a person
 10 from Aubochon told you to pay something outside
 11 the loss fund, --
 12 A. Uh-huh.
 13 Q. -- that means that that's a medical claim that
 14 is not covered under the actual plan terms?
 15 MR. KILLMAN: Objection.
 16 A. Yeah.
 17 Q. And then what would you do as a claims examiner,
 18 how would you then actually physically get the
 19 system to process it? Authorize it.
 20 A. We had, like, exception codes we could put in to
 21 make it pay. Yeah.
 22 Q. Do you remember what the, what the code would
 23 actually be that you put in?
 24 A. It would -- it was an exception code, I forget

1 Donna might have worked on some of them. I know
 2 Jessica had it for a time. I had it. And other
 3 people might have helped out and processed them.
 4 Donna at times might have processed them. I'm
 5 trying to think who else. I think Stephanie
 6 Uzinkonis (ph.), whatever her name is. She
 7 might have processed some too.
 8 **Q. As a claims examiner did issues arise in terms**
 9 **of coordinating coverage that someone might have**
 10 **with another health insurer such as a spouse's**
 11 **insurer, things of that nature?**
 12 A. Yeah, we would have coordination of benefits.
 13 **Q. How would you process that? How would you**
 14 **handle that issue?**
 15 A. I forget. It was manual, I know that. We would
 16 have to have the EOB. I can't remember. I
 17 think there were lines that you put in for other
 18 insurance payments, deductibles and stuff. And
 19 the system would do it. You would put in, you
 20 would take the EOB from the primary, you would
 21 put in the information and then the system would
 22 process the rest. Like, pay the deductible or
 23 the co-pay, whatever it was.
 24 **Q. So that was built into the plan build out?**

1 A. Yeah.
 2 **Q. Okay. Are you familiar as a claims examiner**
 3 **with multiple surgery rules?**
 4 A. Yeah. Uh-huh.
 5 **Q. Was that something that was also built into the**
 6 **plan build out?**
 7 A. That -- I think, like, the first line, like, you
 8 do the surgery and the second line was only
 9 supposed to be, like, 50 percent or whatever. I
 10 know we did a lot of those manually. But it may
 11 have been automatically the first line. It may
 12 have been set up -- I honestly don't remember.
 13 I think it may have had the capacity to do that,
 14 but it wasn't. I can't remember if it did it or
 15 not or we had to do it manually all the time.
 16 **Q. When you say "manually" what would that entail?**
 17 A. Like, if it tried to pay, like, the second or
 18 third 100 percent we would have to manually,
 19 like, do a discount, you know what I mean, to
 20 make it only pay at 50 percent or 80 percent or
 21 whatever it was.
 22 **Q. So when you're changing that manually and you're**
 23 **making those changes are you doing it so that it**
 24 **will pay consistent with the plan terms?**

1 A. Yes. Yeah.
 2 **Q. Okay.**
 3 A. Because I think -- yeah. I think on some of the
 4 plans I remember having to tell the girls when
 5 I, you know, I would see that they weren't doing
 6 that or whatever I would have to tell them. I
 7 think it was mostly manual that we had to do
 8 that, though. Because I seem to remember having
 9 to tell them you're supposed to pay -- if you
 10 look in the plan document it says on page blah,
 11 blah, blah, it's supposed to be paid this way,
 12 so make sure you're checking that when you're
 13 processing claims to make sure it pays right. I
 14 want to say it's manual but some could be
 15 automatic too.
 16 **Q. And automatic would mean it was built into the**
 17 **computer?**
 18 A. Yeah, it would automatically pay the second one
 19 at 50 percent. But I want to say it was mostly
 20 manual.
 21 **Q. And that was the process with the Aubochon**
 22 **claims, as well?**
 23 A. Yeah. I mean, it wouldn't be any different.
 24 **Q. As a claims examiner, would the claims examiner**

1 **get involved at all in whether a particular**
 2 **individual who was no longer employed at**
 3 **Aubochon had coverage under COBRA?**
 4 A. No. Because if they had -- like, if they
 5 terminated and they hadn't paid their first
 6 premium yet they would stay terminated and the
 7 processor wouldn't, they would just let the
 8 claim ride and let it deny. And it wasn't up to
 9 them, it was up to eligibility. Once the COBRA
 10 premium was sent in or whatever we would give it
 11 to the eligibility girl Pam and she would
 12 reinstate the person up to the, you know, if
 13 they paid through May she would put May 31st in
 14 there or whatever. So it wasn't up to the
 15 claims examiner.
 16 **Q. It would already be built into the computer --**
 17 A. Yeah.
 18 **Q. -- system that this person is a terminated or**
 19 **covered individual?**
 20 MR. KILLMAN: Object.
 21 A. Uh-huh.
 22 **Q. Okay. So as a claims examiner you didn't have**
 23 **to go out and separately look into that?**
 24 MR. KILLMAN: Objection.

1 those because she knew we were supposed to be
 2 asking for treatment notes and stuff and if that
 3 wasn't done she would mark it wrong or whatever.
 4 **Q. And what would be done with the results of these**
 5 **internal audits?**
 6 A. I think they were shown to the girls every
 7 month, you know -- the audit would come back and
 8 she would give the results to the, the examiner
 9 and say "these are the mistakes you made.
 10 Either go and fix the claim or, you know, if it
 11 was processed wrong, or don't do it again" or, I
 12 don't know. Resolve it somehow.
 13 **Q. When you reference "the girls" who are you**
 14 **speaking of?**
 15 A. The claims examiners.
 16 **Q. Were you also included in this group?**
 17 A. Yes.
 18 **Q. So certain audits that were being done by**
 19 **Miss Gatanti would be brought to your attention?**
 20 A. Uh-huh.
 21 **Q. And if errors were pointed out by Miss Gatanti**
 22 **what would be done by the examiner?**
 23 A. They would either, you know, try to fix the
 24 claim, if it was, like, a processing error they

1 would fix the claim or, you know, if they
 2 shouldn't have paid it ask for the money back
 3 from the provider. Whatever the situation
 4 called for, you know. We would try to fix it.
 5 **Q. Do you recall whether errors were pointed out by**
 6 **Miss Gatanti with respect to Aubochon claims?**
 7 A. I honestly don't remember if any of my errors
 8 were ever specific to Aubochon or not. I
 9 usually got like 100 or 99 on mine. So I very
 10 rarely had to go and fix them.
 11 **Q. When you're referencing 100 or 99 what are you**
 12 **referencing?**
 13 A. Like the score. The score of the audit or
 14 whatever. So you had to try to get like a 98
 15 percent, I think was what they wanted, or better
 16 or something like that. So I always got 100 or
 17 99.
 18 **Q. So there was a level of accuracy that was**
 19 **required?**
 20 A. Yes. Uh-huh.
 21 **Q. And that was 98 percent?**
 22 A. I think. I don't remember the exact number.
 23 But, yeah.
 24 **Q. I think a little earlier you referenced that you**

1 **had been trained to be a plan builder?**
 2 A. Uh-huh.
 3 **Q. And that was in Chicago?**
 4 A. Yes.
 5 **Q. What type of training did you receive?**
 6 A. Training on how to set up the codes in the
 7 system for, you know, each type of visit. The
 8 CBX tables which drove the codes, like it
 9 was -- it's very complicated.
 10 **Q. Actually, let me be more specific. How many**
 11 **days did you receive training?**
 12 A. Five days.
 13 **Q. Were they eight-hour days?**
 14 A. Yes.
 15 **Q. And who provided the training?**
 16 A. TriZetto.
 17 **Q. And this was specifically with respect to the**
 18 **RIMS system?**
 19 A. Yes.
 20 **Q. Was any of it tailored to specific providers?**
 21 A. No, not really. Like certain providers if they
 22 were in, like, the HCVM network would be set up
 23 or we chose that provider to take the right
 24 discount. But again the discounts and stuff

1 weren't always updated in the system so we would
 2 have to do some of that manually.
 3 **Q. Now, I know with Mr. Rosenberg you had taken us**
 4 **through the steps of processing claims.**
 5 A. Uh-huh.
 6 **Q. I'm hopefully not going to be covering too much**
 7 **of the same thing, I'm going to do my best to**
 8 **narrow this down. But forgive me if I do repeat**
 9 **some things. Now, what information did you have**
 10 **at your disposal to process the claims?**
 11 A. As a processor we would have the schedule of
 12 benefits and the plan document. Ideally we
 13 would have that. You know, if the books were
 14 ready, if it was a new account sometimes the
 15 plan document itself wasn't ready we would just
 16 have the SOB to go by. And we had that. If we
 17 needed to look something else up, like if a
 18 particular injection was covered or something we
 19 would have to go into their prescription
 20 benefits or whatever online, some of the stuff,
 21 their benefits and stuff were online and we
 22 could look it up. Not online, on the computer.
 23 So if there was a question about, you know, if
 24 this drug is covered we could go and look and

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1 more specific.
 2 Who actually wrote the check?
 3 A. Wrote the check that paid the claims?
 4 Q. Exactly.
 5 A. I think it was Aubochon would write the check.
 6 That wasn't my end of it so I'm -- but, I mean,
 7 it would be Aubochon. We would send them a
 8 check edit telling them how much they would need
 9 to send us to cover the claims and they would
 10 send a check.
 11 Q. Let me be specific. I think that was a bad
 12 question. From my understanding of how the
 13 process worked is that you would send check edit
 14 forms to Aubochon, they, and those check edit
 15 forms would request a certain amount to be
 16 funded into a certain account?
 17 A. Yes.
 18 Q. And then the claims would be paid out of that
 19 account; is that correct?
 20 A. Yeah.
 21 Q. Who would be responsible for paying the claims
 22 out of that account? Let me ask it a different
 23 way. Once the account was funded by Aubochon --
 24 A. Yeah.

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1 Q. -- who disbursed those funds?
 2 A. Oh. Well, the checks, we had a separate company
 3 I think that actually printed the checks and
 4 mailed them out. I know we didn't do it. It
 5 was, an off-site company would do that.
 6 Q. Was that company hired by BeneFirst?
 7 A. I assume so.
 8 Q. Could you tell me how the claims records that
 9 you had in your possession at BeneFirst, how
 10 were they stored?
 11 A. Claims records? What do you mean by claims
 12 records?
 13 Q. Any documents you received that you used to
 14 process claims.
 15 A. Like claims themselves?
 16 Q. (Nods in the affirmative.)
 17 A. We would -- after the claims examiners would
 18 finish with a batch, processing a batch, we
 19 would put a cover sheet on it and then we would
 20 scan it through the scanner and it would go on
 21 our F drive at work, so. And then they would
 22 store it on the F drive.
 23 Q. So what happened to the hard copies?
 24 A. The hard copies I believe -- you know, I don't

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1 really know. Either stored or shredded, I'm not
 2 sure.
 3 Q. Do you know how long the scanned versions were
 4 kept on the F drive?
 5 A. Forever. I know we kept them in boxes for a
 6 while, the finished batches were kept in boxes
 7 and then they were taken off site. I think
 8 that's what happened to them.
 9 Q. But once they were scanned they stayed on the F
 10 drive forever?
 11 A. Yeah. They should have, yeah.
 12 Q. Were you aware of a specific document retention
 13 policy at BeneFirst?
 14 A. Not like a formal policy. Not that I'm aware
 15 of, no.
 16 Q. Do you know of a document destruction policy?
 17 A. Well, we did have boxes for shredders. We would
 18 put anything, like, HIPAA related, anything with
 19 personal, personal information we would put it
 20 in these shredders and the company would come
 21 once a week and shred it on site and then take
 22 care of it.
 23 Q. And was there a policy at BeneFirst for the
 24 amount of time before you would shred something?

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1 A. I don't know. I honestly don't know.
 2 Q. Could you explain to me the scenario where you
 3 would shred a document?
 4 A. Like, if I had an extra copy of something or,
 5 I'm trying to think what did we do. Faxes that
 6 we got duplicates of, we would shred those.
 7 Duplicate claims, we would shred. We wouldn't
 8 waste our time processing, we would just shred
 9 them.
 10 Q. Would there ever be a scenario where you would
 11 shred a document that was not already scanned to
 12 the F drive?
 13 A. Yeah. Like, again, like duplicate claims we
 14 wouldn't bother scanning anything we're not
 15 going to process. We would just throw in the
 16 shredding bins or whatever.
 17 Q. But is it accurate to say that every document
 18 that was used during the claims process was
 19 scanned to the F drive?
 20 A. Yeah. It should have been, yeah.
 21 Q. Who is responsible for the scanning?
 22 A. The individual girls when they were done with
 23 their batches were supposed to scan their own
 24 batches.

1 Q. So the claims examiners --

2 A. Yes.

3 Q. -- were responsible for scanning the documents?

4 A. Yes.

5 Q. Did you have a practice of always scanning the
6 documents in the F drive?

7 A. I always did, yes. Sometimes if we were busy
8 the girl, the girl who did the mailroom she
9 would scan them for us. We would leave them and
10 say, "Jean, would you scan this." So it wasn't
11 always personal.

12 Q. Do you know the policy of scanning the documents
13 in the F drive, was that a written policy?

14 A. I don't think so. I honestly don't know. I
15 never saw any written policy. But that was just
16 the, what we did. Because we needed to be able
17 to pull them up if we needed them. So we needed
18 a way of recalling them without going through
19 mounds of paper so we scanned them.

20 Q. That brings me to my next question. How would
21 you pull a document once it was already scanned?
22 In other words, what sort of search criteria
23 would you need to find the document?

24 A. You're making me think. How did we do that? I

1 think when we looked up a claim on RIMS, we
2 could look up a claim in an individual's file
3 and if we needed that document there was a date,
4 date processed, I believe, it was called date
5 processed. And it would have the examiner's
6 initials. So we could go to that examiner's and
7 we could go to the batch that was scanned with
8 her initials and that process date. Like the
9 batches would have the cover sheet, it would
10 have her initials and the date it was scanned.
11 Or the date it was processed. And that's how we
12 looked it up. Because we could look in RIMS,
13 see the name, the date and then we could find
14 that batch. Like the batches on the F drive
15 after we scanned them they would be sorted, I
16 think, by girl, by examiner. So we could go
17 into Jessica's batch, month of March, March
18 18th, and we would have to flip through every
19 claim to find it. We could usually go by the
20 claim number.

21 Q. So could you or could you not search by client?

22 A. No. The claim? No. No. Usually not, no.

23 Q. During claims processing did you ever have to
24 determine eligibility?

1 A. As a claims examiner, no. That was up to
2 eligibility to make sure that that was working
3 right.

4 Q. And if you're aware what did eligibility do to
5 determine eligibility?

6 A. Depending on, you know, if they, they would get
7 something from the client stating this person
8 termed on this date and we would put the term
9 date in and send out the COBRA paperwork. Or
10 the, the Cobra/full-time student person would go
11 through the full-time student list and determine
12 if somebody should be canceled and sent out a
13 notice to determine their eligibility for
14 full-time student status.

15 Q. So someone would be responsible for inputting
16 this eligibility data into the system?

17 A. Uh-huh.

18 Q. Who would be responsible for that?

19 A. That I believe was Pam Furlong.

20 Q. Was she an eligibility person or a plan builder?

21 A. Eligibility person.

22 Q. If you know what did she base eligibility on?

23 A. It would be, you know, when the client would
24 send in an enrollment form or a termination

1 form. That's how she would base it, you know.
2 They would tell her whether to term the employee
3 or not, or whatever.

4 Q. So the information provided by the employer --

5 A. Uh-huh.

6 Q. -- with respect to enrollment, --

7 A. Yeah.

8 Q. -- that would be stored somewhere at BeneFirst?

9 A. Yeah. I think she had those scanned too, she
10 was scanning enrollment forms too.

11 Q. So all the enrollment forms would have been
12 scanned into?

13 A. The F drive.

14 Q. Into the F drive?

15 A. Yeah.

16 Q. And do you know what happened to the hard copies
17 of those documents once they were scanned?

18 A. I don't. She would put them in a box and then I
19 don't know what happened to them after that. I
20 don't know if they took them off site for
21 storage, I don't know.

22 Q. During the claims processing process did you
23 keep notes?

24 A. Like for each account or whatever? How to

1 process a claim and stuff?

2 **Q. You tell me.**

3 A. Yeah, I would keep, like, because I knew that

4 the fee schedules weren't right, so I had a

5 little list of the CPT codes most commonly used

6 and the correct fee schedules to make sure if it

7 came up wrong I would manually change it and

8 make sure it was paying right.

9 **Q. Were these personal notes?**

10 A. Yeah. Just my personal. I just jotted down on

11 a sticky, whatever.

12 **Q. Now, forgive me for my ignorance with these**

13 **processing software and computer systems, but**

14 **was there also a place in the RIMS system for**

15 **you to keep notes with respect to claims?**

16 A. For -- yeah, for individual people. Yeah. We'd

17 go into that, we put in their social and their,

18 you know, file would come up and we can put

19 notes in there.

20 **Q. I believe a little earlier you testified that**

21 **there would be certain circumstances where you**

22 **would be instructed by people at Aubochon to pay**

23 **claims that may not otherwise have been paid?**

24 A. Uh-huh.

1 **Q. Would that instruction have been noted on the**

2 **system?**

3 A. Usually. I usually like to do it. I can't

4 swear for the other girls if they did or not,

5 but I usually did. Yeah.

6 **Q. If you didn't note it, why wouldn't you note it?**

7 A. Just forgot to or they, or if the other girl

8 didn't, you know. I don't know, I couldn't say.

9 But, you know. If it was a verbal and I didn't

10 have the backup with the claim I would always

11 note the screen.

12 **Q. Okay. So when you did receive documentation --**

13 A. Uh-huh.

14 **Q. -- what would you do with those documents?**

15 A. I would keep it with the claim, usually. So

16 like --

17 **Q. And that would be scanned to the F drive as**

18 **well?**

19 A. Yes. Yes.

20 **Q. I believe you testified that you didn't actually**

21 **do the plan build for the Aubochon plan?**

22 A. Yeah, that's correct.

23 **Q. Was there a way that BeneFirst would check the**

24 **accuracy of the plan build out?**

1 A. Yeah, I would. Like I would, if I had time, if

2 I wasn't building new accounts I would go

3 through the existing accounts and just kind of

4 go through them and make sure they were -- if

5 there was, like, a particularly problem account

6 where the girls were saying "this is always

7 paying wrong" I would go in and fix it and see

8 what I could do. And when I wasn't, you know,

9 doing that then I would just go through and do

10 my own little audit to go through the existing

11 ones and make sure, that weren't built by me

12 already, and just make sure that it was set up

13 the way it should be set up.

14 **Q. Was this part of your job duty?**

15 A. Yeah.

16 **Q. Now, you mentioned there were certain problem**

17 **accounts, was Aubochon a problem account?**

18 A. No. I wouldn't say so. And by problem account

19 I only mean like somebody else had set it up

20 and, you know, we found out it keeps paying this

21 code wrong and I would have to go in and after I

22 learned how to do it, "well, I can fix it like

23 this" or whatever.

24 **Q. Is it true to say that the accuracy of claims**

1 **processing would depend on whether the plan was**

2 **built correctly?**

3 A. Oh, yeah. That's a good part of it. Not 100

4 percent of it, but that's a good part of it,

5 yeah.

6 **Q. So if there was an error in the original plan**

7 **build and you didn't catch it --**

8 A. Yeah.

9 **Q. -- then the claims processing could be erroneous**

10 **as well, couldn't it?**

11 A. Yeah, it could be. Yeah.

12 **Q. Did you only check for plan build errors in the**

13 **plans that you were dealing with?**

14 A. No. If -- when I was the plan builder, no, I

15 checked, I checked -- I had a list of all of our

16 clients and I would just go through, "this one

17 hasn't been checked in a while, I'll check this

18 one."

19 **Q. So do I understand correctly that you would only**

20 **do these plan build audits while you were in the**

21 **plan building position?**

22 A. Yes.

23 **Q. Okay. So while you were just a claims**

24 **examiner -- forgive me, I shouldn't say just a**

1 claims examiner.

2 A. Don't worry about it.

3 Q. When you were a claims examiner did you conduct
4 any of these plan build audits?

5 A. No, I didn't have time. Only if there was,
6 like, I would -- if there was a specific benefit
7 that was paying wrong and they're like, the
8 girls would come over and say, "Kathy is
9 stumped, can you fix this for me." Yeah, I
10 would fix a problem. But I wouldn't go in and
11 audit, no. Because I just didn't have the time.

12 Q. I believe you had testified earlier that the
13 Aubochon plan build out had lots of mistakes; is
14 that correct?

15 A. No. It didn't have lots of mistakes, no. But
16 there were some things I found when I became a
17 plan builder that weren't paying right, or I had
18 to tweak this or that. I had to go -- it wasn't
19 the actual plan built, it was, it was the CBX
20 table that was tied with the plan. And you can
21 only, you can only, like, if a benefit had an
22 age limit, it wasn't in the actual, like, coding
23 that you could fix that with the CBX table.
24 When I first got there the CBX table, they were

1 transplant office visit, so it would go towards
2 the max, if they had a dollar max on there. And
3 the CBX table would pick up that code instead of
4 the regular office code, because of the diag.
5 We had like -- for infertility there were a
6 bunch of diag codes for infertility. I'm not
7 really explaining this very well. But it, it,
8 but mostly the biggest difference in the claims
9 processing being, like, wrong would be because
10 it would, the code would go to the wrong
11 age -- the wrong age group will be down there.
12 You only get five visits between age one and
13 two, whatever. And one plan might have five
14 between one and seven and you can only put one
15 age, in the CBX table you can only put the one
16 age range in there. So if it had a different
17 age range you had to have a whole other CBX
18 table because you can't just change -- if you
19 change it for one, you change it for all.

20 Q. Would it be safe to say that the CBX table would
21 be specific to a plan?

22 A. It can be. It didn't necessarily have to be,
23 though. If they all had the same age ranges you
24 could use the same CBX table for two or three

1 only using one or two CBX tables for however
2 many accounts, 20 something. When each account
3 had different age limits and you needed a
4 different CBX table to accommodate the age
5 limit. So I would say, "we're using this one
6 CBX table that has one set of ages on it when
7 each plan is different, so they should have
8 different CBXs." So I would have to go in and
9 build all of these new CBX tables to make sure
10 that each plan was paying it the way it should.
11 That was a problem I found when I became plan
12 builder and, you know. So I just, well....

13 Q. And again I apologize for my ignorance, can you
14 explain what a CBX table is.

15 A. I'll try. I can't remember really. But it's,
16 it's all -- the procedure codes and diagnosis --
17 I forget what they're called. I may sound like
18 an idiot now.

19 Q. Do the best you can.

20 A. The CBX tables were, like, driven by diagnosis,
21 I want to say. Like, if it was an organ
22 transplant benefit and that was the diagnosis it
23 would go to a set of codes for, instead of
24 regular office visit it would go towards the

1 different groups. If they had the same ages in
2 there.

3 Q. Do you remember if there were issues with the
4 Aubochon CBX table?

5 A. I don't recall specifically. But -- I don't
6 have any of my old Excel -- I had, like, a whole
7 spreadsheet of each client and each CBX table,
8 it was, you know, linked with. So I had -- I
9 don't have it anymore, but. Otherwise I could
10 explain it a little better for you.

11 Q. You're doing fine. I believe you used the term
12 that Aubochon would instruct at certain times to
13 pay outside the loss fund?

14 A. Uh-huh.

15 Q. Can you explain to me what that means?

16 A. It means instead of like the claim, like if the
17 specific patient hit their specific deductible
18 that claim would not be counted. The claim that
19 got paid outside the loss fund would not be
20 counted in that max or that specific maximum
21 that they would hit. Like, they have a specific
22 deductible of, you know, X amount of dollars and
23 if Aubochon or whatever client paid out that
24 much amount then I guess the reinsurance

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1 carriers would pay the rest, but any claims that
 2 were paid outside of the loss fund didn't count
 3 towards that max, towards that specific
 4 deductible.
 5 **Q. You said this would be reflected in certain**
 6 **reports but not reflected in other reports. Do**
 7 **you happen to know which reports that would be**
 8 **reflected in?**
 9 A. I have no idea. I have no idea.
 10 **Q. During the time you were at BeneFirst do you**
 11 **recall there being an issue with respect to**
 12 **Aubochon anticipating an aggregate reimbursement**
 13 **in a certain amount and then not receiving it?**
 14 A. Yes.
 15 **Q. What do you recall about that?**
 16 A. I recall -- I don't remember, like, the specific
 17 numbers. But they were supposed to get -- a
 18 report was ran, and I don't know who ran it, but
 19 I want to say Paul Sullivan. And instead of
 20 bringing it to the reinsurance girl who handled
 21 that, Donna Ryan, and saying, "is this the right
 22 figure for the aggregate reimbursement" or
 23 whatever, he just brought it to Aubochon. This
 24 is what I believe, I don't know if it's the

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1 truth. This I believe is what happened. He
 2 brought them the figure without checking it with
 3 Donna first. And so they thought they were
 4 getting this X amount and after Donna looked at
 5 the report and said, "no, you have to take this
 6 out and this out and blah, blah, blah and this
 7 is actually the figure." And that's when the
 8 shit hit the fan.
 9 **Q. Were you involved with any meetings --**
 10 A. No, --
 11 **Q. -- in connection with this issue?**
 12 A. -- I was not.
 13 **Q. Any conference calls?**
 14 A. I don't think so.
 15 **Q. What's your overall impression of BeneFirst as a**
 16 **third-party administrator?**
 17 A. I don't know. We did the best we could, I
 18 guess.
 19 **Q. Did you find them to be organized?**
 20 A. I would say on a scale of 1 to 10, about a 6 or
 21 a 7.
 22 **Q. Did you find that other BeneFirst employees were**
 23 **knowledgeable?**
 24 A. Yes, some of them were, yeah. Yeah. Donna was.

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1 And Linda, she knew her stuff. Some of the
 2 claims processors, I don't know. They just kind
 3 of earned a paycheck, I think. You know.
 4 **Q. Do you remember any claims processor**
 5 **specifically that you thought were**
 6 **knowledgeable?**
 7 A. That I thought were knowledgeable?
 8 **Q. Were not.**
 9 A. Were not? No. Because they all had their
 10 certain amount of experience. I don't want to
 11 say that. I mean, they all had prior claims
 12 processing experience, to my knowledge, anyway,
 13 so. I mean, some were more conscientious than
 14 others. Some would really look at the fees to
 15 make sure; some would just let them fly, you
 16 know.
 17 **Q. Now, we spoke about the internal audits that**
 18 **Kathy Gatanti did.**
 19 A. Uh-huh.
 20 **Q. And there was that, I believe you said there was**
 21 **one audit done on behalf of a stop loss insurer?**
 22 A. Uh-huh.
 23 **Q. Do you recall any other examples of BeneFirst**
 24 **ensuring that the claims processing was being**

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1 **done accurately? Strike that. That was a bad**
 2 **question.**
 3 **Who or what ensured that claims were being**
 4 **processed correctly at BeneFirst?**
 5 A. I assume Paul and his wife. That's the only
 6 thing I can think of. Or, like, if we took our
 7 customer service call and, you know, we got a
 8 lot of complaints about one, one issue they were
 9 having, or, I'm trying to think if a deductible
 10 was set up wrong, we were getting a bunch of
 11 calls, people saying, "we met our deductible,
 12 why is it taking it again?" That might be a
 13 system flaw. And I might go in, fix that on the
 14 plan building side and then we would do, like,
 15 an audit of the claims for that group and just,
 16 you know, go, do a deductible report and go
 17 through and make sure we didn't take two
 18 deductibles or whatever. And repay any claims
 19 we made an error on. Something like that would
 20 come to our attention.
 21 **Q. Was there a systematic process for checking**
 22 **yourselves?**
 23 A. Ourselves? Not really, no. I don't think so.
 24 **Q. Was there anyone responsible for quality**

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1 control, for lack of a better term?

2 A. I would assume the manager, Paul, yeah.

3 Q. How involved was Aubochon with the processing of

4 claims?

5 A. Well, they would get their check edit and look

6 them over, I guess, you know, just to see, maybe

7 they knew of an employee who had a lot of, you

8 know, stuff done and maybe they would look at

9 their claims. I don't know. I'm assuming. I

10 don't know.

11 Q. But on a day-to-day basis, Aubochon wasn't

12 processing claims or making any decision?

13 A. No, no, not unless we asked them or if they got

14 a complaint from an employee who claimed they

15 didn't get paid or something, whatever. Yeah.

16 Q. Did you ever discuss any claims processing

17 errors with anyone at Aubochon?

18 A. I don't believe so. I don't remember any. I

19 don't really remember any.

20 Q. Were you involved in any way with the drafting

21 or revising of Aubochon plan documents?

22 A. No.

23 Q. Actually, let me, I have an e-mail that was

24 produced by BeneFirst and we can mark it.

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1 (Deposition Exhibit 1 marked for

2 identification.)

3 Q. Take a minute, take a look at it. I just have a

4 couple of questions for you.

5 A. (Witness reviewing.)

6 Q. Do you remember the context -- well, strike

7 that.

8 Do you remember sending this e-mail?

9 A. No.

10 Q. Do you remember what the context of this e-mail

11 was? In other words, can you just explain to me

12 what the e-mail is regarding?

13 A. It looks like, let's see, July 2nd, I know their

14 renewals were in July so this must have been up

15 for renewal. And when clients come up for

16 renewal I kind of look over the SOB and if we

17 had any issues like any interpretation issues

18 with the benefits, you know, I would bring them

19 up at renewal just to say, "do you want to

20 clarify this in an SOB, just so it's clear."

21 This routine thing, this routine thing, yeah, I

22 didn't know if they wanted to include the actual

23 labs in that max or was that just the opposite.

24 I would ask clients things like that. And say

Page 84

1 they should probably clarify it in an SOB so

2 it's clear to me and the patient so they know.

3 Q. So when you would give these suggestions --

4 A. Uh-huh.

5 Q. -- would the client then change the SOB to

6 reflect these changes?

7 MR. ROSENBERG: Objection.

8 A. Sometimes if they wanted them, yeah. Or they

9 would tell me, "no, leave it the way it is," or

10 whatever. But, yeah, this brings up other

11 things. They didn't have, like, an other,

12 covered miscellaneous. They didn't have that on

13 the SOB and how we were supposed to pay that,

14 things like wigs and chemo and all of that.

15 Because I know the exclusions in a lot of the

16 plan documents said if it's not listed as

17 covered it's not covered. So I wanted to

18 clarify that. You know, if it's not

19 listed -- if it's covered then it's not covered

20 then I'm going to make the system deny it, so

21 can we please clarify that. It would say it

22 would cover wigs and stuff but under the SOB it

23 didn't say how it should pay. So I would say,

24 "you should have one that is miscellaneous."

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1 Q. Do you recall whether Aubochon made any of these

2 changes?

3 A. I have no idea. I don't remember.

4 Q. So in effect these suggestions were a way for

5 you to suggest ways to make the plan --

6 MR. ROSENBERG: Objection.

7 Q. -- stronger?

8 A. No. They were ways to clarify the benefits so I

9 could build it properly.

10 Q. Can you explain that.

11 A. Because if, if somebody came in, you know, got a

12 wig and sent it in for reimbursement, if it

13 didn't say how to pay that how would I know how

14 to set the plan up to process it correctly. I

15 needed something in the plan document that said

16 how to pay the miscellaneous other covered

17 charges.

18 Q. So given that these specific issues that are

19 raised in this e-mail, for example, were not

20 included in the plan, --

21 A. Uh-huh.

22 Q. -- at least at the time you wrote this

23 e-mail, --

24 A. Yeah.

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1 A. Not specifically. But I want to say it was in
2 the area of \$8,000.

3 **Q. Do you recall any attempts to collect the**
4 **overpayments?**

5 A. As a result of that audit, no. Because we, they
6 weren't our client anymore, so we couldn't do
7 anything about it. Before that? If we found a
8 claim that we did overpay or if I found I
9 overpaid a claim, yeah, we would send a refund
10 request to the providers to get the money back,
11 yeah.

12 **Q. That actually goes to my next question. So how**
13 **would you do it, you would send a refund**
14 **request?**

15 A. Yes, a letter to the provider. And say, give
16 them the reason, like it should have gone to the
17 deductible or it wasn't a covered benefit or
18 whatever. Whatever the case was.

19 **Q. Did they usually return the money?**

20 A. Some did. Some didn't.

21 **Q. So not every overpayment would be collected?**

22 A. No. No. You know, even after third and fourth
23 requests, no, not every one, no.

24 **Q. About what percentage weren't refunded?**

Page 91

1 A. I don't know.

2 MR. ROSENBERG: Objection.

3 A. I don't know. Because it wasn't just me doing
4 them, so I honestly don't know.

5 **Q. A little earlier you testified that occasionally**
6 **you would have to tell the girls, and I imagine**
7 **you're talking about the other claims**
8 **examiners, --**

9 A. Yes.

10 **Q. -- to check that they were paying claims right.**
11 **Would that be with respect to Aubochon, as well?**

12 A. Well, they would be included in it, yeah.

13 **Q. Okay.**

14 A. If -- yeah, when Jessica processes them. You
15 know, I give the claims examiners, like, little,
16 you know, not cheat sheets, just things to look
17 for when you're processing claims, make sure you
18 check this or that or whatever. But not
19 specifically. I wouldn't specifically go and
20 say, "are you processing Aubochon correctly?"
21 Just every account. Every client.

22 **Q. How often would you have to go and check for**
23 **these errors?**

24 A. Well, I wouldn't check for them. I didn't check

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1 for errors. I would give them helpful hints on
2 how to process the claims correctly and make
3 sure you're doing this and this. I wouldn't
4 specifically go, "I went through your claims
5 yesterday and you paid this wrong," but, no,
6 that wasn't my job.

7 **Q. Did you do these -- strike that.**

8 **Did you help these claims examiners in the**
9 **way that you just described because you thought**
10 **that they were making mistakes?**

11 A. Yeah. Yeah.

12 **Q. You stated a little earlier that you, I believe**
13 **the word you used was hated Paul Gatanti?**

14 A. Uh-huh.

15 **Q. I have to ask why.**

16 A. Because he's an arrogant, arrogant bastard. I
17 hated him.

18 **Q. Is this based on experiences from working with**
19 **him?**

20 A. From working with him.

21 **Q. Could you explain.**

22 A. Well, when he came in to be the manager, when
23 Charlie hired him, he got rid of a lot of people
24 that existed there that worked there and brought

Page 93

1 in his own people. He brought in two for
2 customer service. He brought in, let's see,
3 like, five more claims examiners that were all
4 his friends that he all worked with before.
5 And, you know, got rid of two claims examiners
6 and brought in his own plan builder. I mean,
7 without even seeing -- he did it right off the
8 bat. He didn't even give the other existing
9 people a chance. He just brought in his people
10 and just said, "we're going to use my people."

11 **Q. What was your opinion of him as a person in the**
12 **claims processing industry?**

13 MR. KILLMAN: Objection.

14 **Q. That was a horrible question. It was really**
15 **bad.**

16 **Let me try to rephrase it. What position**
17 **did Mr. Gatanti have at BeneFirst?**

18 A. He was the claims manager.

19 **Q. Okay. In your opinion do you believe that he**
20 **was competent at his job?**

21 MR. ROSENBERG: Objection.

22 A. Yeah.

23 **Q. Did Kathy Gatanti work at BeneFirst?**

24 A. She worked from home. She did hers from home.

1 There was remote access into RIMS so she did it
 2 from home.
 3 **Q. If you know was she an employee?**
 4 A. Part-time.
 5 **Q. Do you know in what capacity?**
 6 A. What do you mean?
 7 **Q. What was her title?**
 8 A. Auditor.
 9 **Q. Back to the payment of the claims out of the**
 10 **fund.**
 11 A. Uh-huh.
 12 **Q. You said you had hired -- strike that.**
 13 **You stated that BeneFirst retained a third**
 14 **party to, --**
 15 A. I believe so.
 16 **Q. -- to cut the checks?**
 17 A. I believe so, yeah.
 18 **Q. Did Aubochon know about this third party?**
 19 A. I have no idea. I assume they did. I mean, I
 20 don't know.
 21 **Q. We're almost done. Well, I am.**
 22 **Forgive me, you may have already covered**
 23 **this. You stated that, instances where there**
 24 **would be instruction to pay outside the loss**

1 **fund there would be a certain exception code**
 2 **entered into the system?**
 3 A. Yeah. Uh-huh.
 4 **Q. Would that be reflected in the system somewhere?**
 5 A. Yeah. Like, if you -- like, if you went to look
 6 that claim up in RIMS I believe when you, when
 7 you actually looked into the actual lines of the
 8 claims after it processed, the exception code
 9 would cause it to use the procedure code of,
 10 like, whatever I created, EXCM, or whatever the
 11 code was, that let you know that was outside of
 12 the loss fund. It wasn't a regular code that I
 13 built. It was an easily recognizable exception
 14 code that we could see. Like, when we looked in
 15 the claims we knew, "oh, that was paid outside
 16 of the loss fund."
 17 **Q. As a person who did audits internally for**
 18 **BeneFirst -- well, strike that.**
 19 **Is it safe to say you did do audits for**
 20 **BeneFirst to a certain degree?**
 21 MR. ROSENBERG: Objection.
 22 **Q. Let me say it a different way. You stated a**
 23 **little earlier that you would review claims**
 24 **processing to assist other claims examiners; is**

1 **that correct?**
 2 A. What I did for the other claims examiners was if
 3 I -- like, I didn't go in and specifically -- I
 4 personally didn't go in and specifically audit
 5 the claims processors and what they did, but I
 6 would come across claims, like if I get a phone
 7 call and have to look in somebody's file, or
 8 customer service and whatever and I would see
 9 something was paid wrong. If I got a lot of
 10 calls where I would go into the claims and say,
 11 "Jessica processed this, it was wrong.
 12 So-and-so processed it, it was wrong." I would
 13 see the pattern, I would see where they were
 14 making mistakes and I would go over to them and
 15 say, "you're doing this wrong, you need to do it
 16 this way," or whatever. But I wouldn't, like,
 17 go and grab their stack and physically audit it.
 18 I wasn't out to, like, audit. I would just see
 19 mistakes and I would try to help them and say,
 20 "you need to be doing this because you're doing
 21 it wrong."
 22 **Q. I understand. Were you involved with any**
 23 **meetings regarding Aubochon's termination of**
 24 **BeneFirst as a third-party administrator?**

1 A. Meetings like formally? No, I don't think so.
 2 I think they just told us Aubochon is terming,
 3 or whatever, you know, as a claims examiner.
 4 They would need to let us know so that
 5 enrollment can go in and term people. But I
 6 wasn't in on any formal meetings, I don't
 7 believe.
 8 **Q. What was your understanding as to the reason of**
 9 **the termination?**
 10 A. Because they were upset about the money. That's
 11 what I was led to understand, was because of
 12 that whole aggregate thing. They thought they
 13 were getting this money and then they weren't
 14 and they got all suspicious and they termed.
 15 And I believe it was off plan year, I believe
 16 they termed in December or something.
 17 **Q. That's everything I have.**
 18
 19 EXAMINATION
 20
 21 BY MR. ROSENBERG:
 22 **Q. I have a few more questions for you.**
 23 A. Uh-huh.
 24 **Q. When you're the claims examiner working on the**

1 Aubochon accounts and you're processing claims,
2 the sources you're using are the plan document
3 and the computer build out; is that right?

4 MR. KILLMAN: Objection.

5 A. Uh-huh.

6 Q. And if you have any questions from referring to
7 those sources as to whether a particular claim
8 is covered, what do you do?

9 A. I would go to the service rep and ask them to
10 get it clarified. And if they couldn't or
11 whatever I would sometimes just ask the client
12 directly. It depends on the situation. But
13 usually I would go through the service people
14 and say, "this needs to be addressed. I don't
15 know how to, I don't know how to build this to
16 pay the right way. I don't know how this should
17 be paid, would you please clarify."

18 Q. Is this what you did on the Aubochon account
19 when you were examining?

20 A. Yeah, I guess.

21 Q. And your process for doing that, for asking the
22 service rep, you were expecting them to go to
23 Aubochon?

24 A. Yes.

1 A. Usually, yeah.

2 MR. KILLMAN: Objection.

3 Q. Now, you spoke on a regular basis with Sara
4 Orell and Kim McMahon?

5 A. Yeah, pretty much. Yeah.

6 Q. Did you ask them whether the plan should cover
7 or not cover things you had questions about?

8 A. Sometimes I think I did, yeah. Yeah. Like, you
9 know, these types of questions, like, are the
10 labs supposed to be covered in the dollar max
11 for the physical and whatever.

12 Q. Just to be clear, you're referring to what's
13 been marked as Exhibit 1 to Maureen Fitzgerald.
14 So this e-mail to Maureen Fitzgerald, is this an
15 example of you asking for clarification from
16 Aubochon as to what they want to cover?

17 A. Yeah.

18 MR. KILLMAN: Objection.

19 Q. And by this e-mail are you asking for them to
20 change the documents to make clear to you what
21 Aubochon wants to cover?

22 A. Yes.

23 Q. Okay. To clarify the things that were uncertain
24 in their plan?

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1 Q. And sometimes you would get the answer yourself
2 directly from Aubochon?

3 A. Yeah. Yeah.

4 Q. If you had a question would you just decide
5 yourself without checking with Aubochon?

6 A. Well, it would depend on the question.

7 Q. I guess if you have, if you can't tell from the
8 plan document what it's supposed to cover would
9 you decide yourself or would you ask Aubochon?

10 A. Oh, I would ask if I didn't know, or at the very
11 least I would set it up to deny. At the worse
12 case scenario they could come back and say, "no,
13 that's supposed to pay." I would error on the
14 side of building it to deny rather than pay.

15 Q. If you did that who would come back and tell you
16 it's supposed to cover that?

17 A. It would either be Aubochon or if Aubochon
18 asked, like, Paul or Maureen to tell me, they
19 would say something to them and they would tell
20 me or they would tell me directly.

21 Q. But the information would come back from
22 Aubochon --

23 A. Yeah.

24 Q. -- that you're supposed to cover this?

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1 A. Yeah. Yeah.

2 Q. Okay. I noticed in the first bullet point you
3 wrote, "I know I spoke to Kim McMahon before and
4 she told me that she wanted the labs and x-rays
5 to go towards that max, but we just need the SOB
6 to clearly state this"?

7 A. Yeah. So it would be in writing. I wanted
8 something in writing, you know.

9 Q. You wanted something in writing from Aubochon
10 that --

11 A. Yeah.

12 Q. -- they wanted to cover this?

13 A. Yeah.

14 Q. Why did you want that in writing?

15 A. So it wouldn't come back to bite me in the bum.
16 You know, I wanted to make sure it was paid
17 right. I want to, you know, and if it didn't
18 say it in the plan document, if it just said the
19 exam -- I just wanted it to be extra clear. I
20 wanted it to be clear to me and I wanted it to
21 be clear to their employees, you know.

22 Q. The Aubochon employees?

23 A. The Aubochon employees. So if I maxed
24 everything out at 225 and they said, "why did

26 (Pages 98 to 101)

1 you deny all of my labs?" Well, it doesn't say
 2 that in the SOB, I want clarification, I want it
 3 in writing.
 4 Q. So you wanted clarification from Aubochon about
 5 what they wanted you to do?
 6 A. Yeah. Yeah.
 7 Q. And that's why you were making that request?
 8 MR. KILLMAN: Objection.
 9 A. Yes.
 10 Q. In the third bullet point you stated, "also, I
 11 know they wanted to cover Depo-Provera shots
 12 given at a doctor's office. They might want to
 13 put that on the SOB just so it's clear. (But
 14 they might not)" Why were you forwarding that
 15 information?
 16 A. Because a lot of people call us and say, "is the
 17 Depo covered" and it's not addressed.
 18 Q. So it's not addressed in the plan itself?
 19 A. Yeah.
 20 Q. So you wanted Aubochon to answer that question?
 21 A. Yes.
 22 Q. So that you would know what Aubochon wanted you
 23 to tell these people?
 24 A. Yeah.

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 1 Q. We were talking at different points about what
 2 would happen with claims that employees
 3 complained about or were denied. And I believe
 4 you had explained, and correct me if I'm wrong,
 5 if a claim is denied and someone calls in
 6 complaining you would refer them to the plan
 7 terms?
 8 A. Uh-huh.
 9 Q. And then if they still had a complaint refer
 10 them to Aubochon?
 11 A. Yes.
 12 Q. And then what would happen from there on a
 13 typical example with the Aubochon account?
 14 A. Either nothing, either -- I don't know, they
 15 would tell them "tough" or if they wanted to pay
 16 it they would call me. Or sometimes even if
 17 they didn't they would just call me to let me
 18 know, "no, it's not, we're not going to cover
 19 it, we're not going to pay it."
 20 Q. Who is the "they"?
 21 A. Kim or Sarah.
 22 Q. At Aubochon?
 23 A. Yeah.
 24 Q. Now, were there ever -- when you were the claims

Page 104
 1 examiner were there ever instances in which a
 2 claim was covered but someone called up
 3 complaining for some reason it wasn't covered
 4 enough, or it was late in being paid or anything
 5 of that nature?
 6 A. They might have. You know, just, if it was only
 7 covered at like 90 percent they would call up
 8 and complain. But that's your benefit, it's
 9 only 90 percent.
 10 Q. Were there ever instances of hospitals or
 11 providers complaining about whether they had
 12 been paid or not?
 13 A. For Aubochon? Not that I can remember, no.
 14 They were always very good on their funding.
 15 Q. Okay. We talked about how, I believe, it was
 16 the UB40, but some of the claims -- no, the
 17 HCFAs -- some of the claims could be submitted
 18 electronically on the Aubochon account?
 19 A. Yeah.
 20 Q. What would you print out, or would you print out
 21 any documents related to that or would it simply
 22 be maintained electronically?
 23 A. No, it was all in the computer already, so we
 24 would go through the electronic, or the claims

Page 105
 1 processing. Like, you would go in through,
 2 like, a different screen than you would a manual
 3 claim. You would start at a different screen.
 4 Q. But it would all take place electronically in
 5 the computer?
 6 A. Yeah.
 7 Q. At the time that you were doing that was that
 8 computer system operating on the RIMS network?
 9 A. Yeah.
 10 Q. Okay. When you were the claims examiner and
 11 you're handling claims for Aubochon was it your
 12 experience that the plan build out matched up to
 13 the Aubochon written plan document that you had?
 14 A. For the most part, yeah. I don't recall any,
 15 like, huge issues that it was originally built
 16 wrong, really. It might have been -- it was
 17 probably a few things that might have been
 18 wrong, but I don't remember anything
 19 catastrophic.
 20 Q. Do you remember any specific examples?
 21 A. No.
 22 Q. Did any of the other examiners handling the
 23 Aubochon account bring any specific examples to
 24 your attention?

27 (Pages 102 to 105)

Page 106

1 A. Not that I can remember.

2 Q. If you were examining a claim for Aubochon and

3 you found a discrepancy between the plan build

4 out and the plan document, what would you do?

5 A. If -- I could fix it if I was already the, knew

6 how to plan build I would try to fix it myself

7 so future claims would pay right or I would give

8 it to Kathy O'Brien to fix if it was paying

9 wrong.

10 Q. With regard to the particular claim that was in

11 front of you at that time, and you saw that

12 under the plan document itself it was

13 covered, --

14 A. Uh-huh.

15 Q. -- could you arrange for it to be paid?

16 A. Sometime, yes. Yeah. I could sometimes

17 manipulate the system to pay it the way I wanted

18 it to be paid, yeah.

19 Q. And the way you wanted it to be paid was what

20 was written in the Aubochon plan document?

21 MR. KILLMAN: Objection.

22 A. Yes.

23 Q. You talked about eligibility, and a separate

24 eligibility department, --

Page 107

1 A. Uh-huh.

2 Q. -- and you mentioned eligibility was based on

3 what they told the eligibility person at

4 BeneFirst?

5 A. Uh-huh.

6 Q. Who is "they"?

7 A. Aubochon, the client. Whoever. The client.

8 Q. So the client is the source of the

9 information --

10 A. Yeah.

11 Q. -- for eligibility?

12 A. For eligibility, yeah.

13 Q. Is that how accounts were handled?

14 A. Yep.

15 Q. You talked about the level of organization at

16 BeneFirst, you put it at a 6 or 7; is that

17 right?

18 A. Yeah, about.

19 Q. Have you worked for any other third-party

20 administrators?

21 A. Yes, Group Insurance.

22 Q. And how would you rate their level of

23 organization?

24 A. Pretty organized, actually. Like a 9.

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1 Q. Okay. And you talked about varying quality of

2 Aubochon examiners, I mean, of the examiners of

3 BeneFirst; is that fair to say?

4 A. Yes.

5 Q. Is it your experience that in the workplace

6 there are always some employees who are better

7 than others?

8 MR. KILLMAN: Objection.

9 A. Oh, yeah.

10 Q. And that was true at BeneFirst as well?

11 A. Uh-huh.

12 Q. And with regard to the examiners assigned to the

13 Aubochon account, how would you characterize the

14 quality of their work?

15 A. All right. Because it was me and I'm excellent.

16 So, I mean, my quality was just superb.

17 Q. Let's stop there for a second. Now that you

18 mention it, you had mentioned that the, was it

19 Kathy Gatanti, when she would do these testing

20 audits --

21 A. Yes.

22 Q. -- for the claims manager you would score 99

23 percent of 100 percent; correct?

24 A. Yeah.

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1 Q. Do you know what scores were received by the

2 other examiners assigned to the Aubochon

3 account?

4 A. No. I -- well, like I, I had seen them, I don't

5 think I was supposed to see them. But

6 maybe -- I don't know. Girls talk. But, yes,

7 some of them scored lower. Jessica, I know she

8 scored, you know, not 100 percent, but she

9 wasn't horrible either. She was always like 95

10 percent or whatever. I mean, she wasn't, like,

11 horrible or anything. But not as good as me,

12 though.

13 Q. So you would actually, given your scores, when

14 you talked about helping to train other

15 examiners or giving them information on how to

16 fix things, you were basically pointing out

17 things to them that you saw in the operations

18 that they could just do a better job with?

19 A. Yeah. Yeah.

20 Q. These were things that, would it be fair to

21 describe them as things as you process claims

22 areas of expertise you develop?

23 MR. KILLMAN: Objection.

24 A. Not that I develop, no. Just, just remembering

Page 110

1 to do certain things. Like, they know the fee
 2 schedule is not right, so I would notice they're
 3 not using the right one, so I would say, "you've
 4 just got to remember to do this."
 5 **Q. And were there any particular instances with**
 6 **regard to the processing of Aubochon claims that**
 7 **you did that for the other examiners?**
 8 A. Not -- I can't remember specifically. No. I
 9 mean, there might have been, but I don't
 10 remember specifically what they might have been.
 11 **Q. Okay. How frequently did you speak with Kim**
 12 **McMahon or Sarah Orell?**
 13 A. I would say about maybe once a week or once
 14 every two weeks. It depends.
 15 **Q. Did you ever speak to them about the claims**
 16 **listed on the check edits they received?**
 17 A. Maybe. Like, if they would look over the check
 18 edit and see, like, you know, somebody is paid
 19 or didn't pay they might call me and just, they
 20 might call and question it or ask about it, or
 21 they might say, "is so-and-so going to be on
 22 this check edit?" Not really too much. Not
 23 about what was on the check edit really.
 24 **Q. What would they mostly call about? What**

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1 **subjects would they most call about?**
 2 A. They mostly called if they got, you know, an
 3 employee whose claim didn't get paid, they would
 4 call and ask me to look it up, and say, "how did
 5 you pay?" I would say, "I paid it this way
 6 because," I said it or I would just explain it
 7 to them if they had any questions. And then
 8 they would make a determination on whether or
 9 not they wanted us to pay them or reprocess it
 10 or whatever. It usually was, you know, it was
 11 usually them calling me about stuff like that.
 12 **Q. Okay.**
 13 A. It wasn't like I was calling them all the time
 14 about little minutia, you know.
 15 **Q. And when they would call you and you discussed**
 16 **how they wanted to process a particular claim,**
 17 **what would you then do?**
 18 A. I would either pay it if they told me to pay it,
 19 if they wanted me to pay it outside the loss
 20 fund they would shoot me an e-mail telling me
 21 that and I would do that.
 22 **Q. Would they tell you sometimes you should read**
 23 **the plan to cover something?**
 24 A. No. They really didn't tell me that because

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1 they knew that I knew it. So they would be
 2 like, "oh, well," they might ask why I did it,
 3 "well, because I'm reading it this way." Is
 4 that -- and they would be like, "oh, okay." And
 5 they might tell me that's fine or they might
 6 say -- they usually took my word. Because I
 7 always went by the plan document, I said, "it
 8 reads this way and if, if you don't interpret it
 9 that way you might want to clarify it. You
 10 might want to, on your next renewal you might
 11 want to clarify that a little better."
 12 **Q. And they would instruct you one way or the other**
 13 **what to do with the claim?**
 14 A. Yeah.
 15 **Q. And then you would process it in whatever manner**
 16 **they told you to do?**
 17 A. Yeah.
 18 **Q. Okay. In your conversations with them did they**
 19 **ever complain about BeneFirst's processing of**
 20 **Aubochon's claims?**
 21 A. I don't recall.
 22 **Q. And how long did you process claims for**
 23 **Aubochon?**
 24 A. Oh, God. Again, maybe a year. I can't remember

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1 when I became the plan builder. I don't
 2 remember how long. I know I started when they
 3 came on, it was, I believe they came on July of
 4 '01 is when they signed on. I think that's when
 5 they came on with us. And I know that Charlie
 6 was like, "oh, you processed Aubochon over at
 7 Group, so we're going to stick you on their
 8 account." So I want to say a year. I don't
 9 remember exactly when they made me plan build,
 10 but I think it was a year later, ten months. I
 11 don't know exactly.
 12 **Q. So it's fair to say, though, that during**
 13 **whatever was the length of time you were**
 14 **examining Aubochon claims, you were dealing with**
 15 **Sarah Orell and Kim McMahon?**
 16 A. Yeah.
 17 **Q. You talked earlier about this question of, of**
 18 **what deductibles were paid and whether they were**
 19 **overpaid, underpaid, et cetera. Was there**
 20 **deductible language in the Aubochon plan itself?**
 21 A. Yeah. Uh-huh.
 22 **Q. Was the -- do you recall what the deductible**
 23 **language was?**
 24 A. No.

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1 Q. Do you recall if there was any question of how
2 to interpret that deductible language?
3 A. No, I don't think there was any question about
4 it. It was pretty clear.
5 Q. Did anyone raise with you any question of how
6 the deductible language should be applied?
7 A. I don't remember. Maybe. I honestly don't
8 remember.
9 Q. You mentioned seeking reimbursement at different
10 times on claims that were overpaid, --
11 A. Uh-huh.
12 Q. -- duplicate payments? Do you recall whether
13 you had to do that on the Aubochon account?
14 A. Probably. Yeah.
15 Q. Was this something that happened consistently to
16 at least some extent across accounts?
17 A. Consistently?
18 MR. KILLMAN: Objection.
19 Q. Strike that.
20 Is this -- are overpayments something that
21 just happen on all accounts?
22 MR. KILLMAN: Objection.
23 A. Yeah. Yeah.
24 Q. Was that your experience at GIC as well?

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1 A. Yes.
2 MR. ROSENBERG: Okay, now I'm done.
3
4 EXAMINATION
5
6 BY MR. KILLMAN:
7 Q. I just have a couple. You had mentioned that
8 you processed Aubochon claims while you were at
9 Group Insurance; is that correct?
10 A. Yes.
11 Q. From your time at Group Insurance to your time
12 at BeneFirst did the Aubochon plan change?
13 A. I don't remember.
14 Q. Okay. Now, we touched upon this, and forgive
15 me, but do you recall what period of time you
16 were the plan builder --
17 A. I don't.
18 Q. -- at BeneFirst?
19 A. I don't. I don't remember the exact year. I
20 don't. I honestly don't. I want to say maybe
21 sometime in 2002 I became plan builder. And
22 then I don't remember when Paul Gatanti started.
23 I mean, it's just so long ago, I don't remember.
24 Q. But you're certain that once Mr. Gatanti started

Page 116

1 you, your position as plan builder stopped?
2 A. Yeah, once he hired Kathy O'Brien. It might
3 have been a week or two after he started. Yeah,
4 I don't know.
5 Q. Now, a little earlier you talked about, around
6 2005, after the lawsuit had been filed --
7 A. Uh-huh.
8 Q. -- you had done some work reviewing claims for
9 overpayments; is that correct?
10 A. For Aubochon, yeah.
11 Q. Yes. Specifically for Aubochon; correct?
12 A. Yes.
13 Q. Now, at that time did any notices come out at
14 BeneFirst regarding this lawsuit?
15 A. I don't remember any.
16 Q. Okay. How were you made aware of this lawsuit?
17 A. I think Charlie told me.
18 Q. Were there any notices or memoranda circulated
19 around the office informing people to preserve
20 documentation?
21 A. I don't remember any like that, no. I'm pretty
22 sure, no, but I could be wrong. But I don't
23 remember any, no.
24 Q. I believe you testified just a little earlier

Page 117

1 that you would sometimes seek clarification of
2 plan terms because it would be easier to
3 interpret the terms with these clarifications;
4 is that correct?
5 A. Uh-huh. Uh-huh.
6 Q. Now, would it be safe to say that even though
7 you have the plan there is still interpretation
8 that's required to process a claim?
9 A. Yeah.
10 Q. Not every scenario is addressed in the plan?
11 A. Exactly. Yes.
12 Q. That's all I have.
13
14 EXAMINATION
15
16 BY MR. ROSENBERG:
17 Q. I have one final question.
18 A. Back to you.
19 Q. You said that -- you mentioned not every
20 scenario is addressed in a plan document itself?
21 A. Yeah.
22 Q. On the Aubochon account if a scenario comes in
23 that's not addressed in the plan document what
24 do you do?

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1 COMMONWEALTH OF MASSACHUSETTS)
 2 SUFFOLK, ss.)
 3
 4
 5 I, Laurie Langer, Professional
 6 Reporter and Notary Public in and for the
 7 Commonwealth of Massachusetts do hereby certify
 8 that there came before me on the 16th day of
 9 May, 2008, at 10:30 o'clock a.m. the person
 10 hereinbefore named, who was by me duly sworn to
 11 testify to the truth and nothing but the truth
 12 of her knowledge touching and concerning the
 13 matters in controversy in this cause; that she
 14 was thereupon examined upon her oath, and her
 15 examination reduced to typewriting under my
 16 direction; and that the deposition is a true
 17 record of the testimony given by the witness.
 18
 19 I further certify that I am neither
 20 attorney or counsel for, nor related to or
 21 employed by, any of the parties to the action in
 22 which this deposition is taken, and further that
 23 I am not a relative or employee of any attorney
 24 or counsel employed by the parties hereto or
 financially interested in the action.
 In witness whereof, I have hereunto
 set my hand and seal this 22nd day of May, 2008.
 NOTARY PUBLIC
 Commission Expires
 9/13/09

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1 ATTACH TO THE DEPOSITION OF CARRIE REDDIE
 2 CASE: Aubochon v. BeneFirst DATE TAKEN: 5/16/08
 3 ERRATA SHEET
 4 Please refer to page 123 for errata sheet
 5 instructions and distribution instructions.
 6 PAGE LINE CHANGE REASON
 7 _____
 8 _____
 9 _____
 10 _____
 11 _____
 12 _____
 13 _____
 14 _____
 15 I have read the foregoing transcript
 16 of my deposition and except for any corrections
 17 or changes noted above, I hereby subscribe to
 18 the transcript as an accurate record of the
 19 statements made by me.
 20
 21 Executed this ____ day of _____, 2008
 22
 23 _____
 24 CARRIE REDDIE

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1 ERRATA SHEET DISTRIBUTION INFORMATION
 2 DEPONENT'S ERRATA & SIGNATURE INSTRUCTIONS
 3
 4 ERRATA SHEET DISTRIBUTION INFORMATION
 5 The original of the Errata Sheet has been
 6 delivered to Mr. Rosenberg, Esquire.
 7 When the Errata Sheet has been completed
 8 by the deponent and signed, a copy thereof
 9 should be delivered to each party of record.
 10
 11 INSTRUCTIONS TO DEPONENT
 12 After reading this volume of your deposition,
 13 please indicate any corrections or changes to
 14 your testimony and the reasons therefor on the
 15 Errata Sheet supplied to you and sign it. DO
 16 NOT make marks or notations on the transcript
 17 volume itself. Add additional sheets if
 18 necessary. Please refer to the above
 19 instructions on the errata sheet distribution
 20 information.
 21
 22
 23
 24

6

{ }

1

VOLUME I

PAGES 1-94

2

EXHIBITS 3

3

4

UNITED STATES DISTRICT COURT

5

DISTRICT OF MASSACHUSETTS

6

7

W.E. AUBUCHON CO., INC.,)

8 AUBUCHON DISTRIBUTION, IN,)

W.E. AUBUCHON CO., INC.)

9 EMPLOYEE MEDICAL BENEFIT PLAN,) NO. 05-40159

AND AUBUCHON DISTRIBUTION, INC.)

10 EMPLOYEE MEDICAL BENEFIT PLAN,)

Plaintiffs)

11)

v.)

12)

BENEFIRST, LLC,)

13 Defendants)

14

15

16 DEPOSITION OF CHARLES LORD, a deponent

17 in the above-entitled cause, taken before Tracy A.

18 Coffman, Notary Public in and for Commonwealth of

19 Massachusetts, pursuant to the Massachusetts Rules

20 of Civil Procedure, at the Law Offices of Bowditch &

21 Dewey, 175 Crossing Boulevard, Framingham,

22 Massachusetts, on Thursday, May 22, 2008, commencing

23 at 2:25 p.m.

24

Page 2

1 APPEARANCES
2
3 Ryan T. Killman, Esquire
4 BOWDITCH & DEWEY
5 311 Main Street
6 Worcester, MA 01615
7 508-926-3497
8 Counsel on behalf of Plaintiff.
9
10 Eric L. Brodie, Esquire
11 THE MCCORMACK FIRM, LLC
12 One International Place
13 Boston, MA 02110
14 617-951-2929
15 Counsel on behalf of Defendant.
16
17
18
19
20
21
22
23
24

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2
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10 EXHIBITS
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12 No. 1 Multipage Document Bates AUB6742 - AUB6757 59
13 No. 2 Multipage Document Bates AUB115 - AUB136 62
14 No. 3 Multipage Document Bates AUB462 - AUB481 67
15
16 * Exhibits were retained by Attorney Brodie *
17
18
19
20
21
22
23
24

Page 4

1 PROCEEDINGS
2
3 CHARLES LORD, first having been
4 duly identified and sworn on oath, testifies
5 as follows:
6
7 DIRECT EXAMINATION BY MR. BRODIE:
8 Q. Good afternoon, Mr. Lord.
9 A. Good afternoon.
10 Q. My name is Eric Brodie, I represent
11 BeneFirst, Aubuchon verses BeneFirst, and
12 we'll go through all the Aubuchon entities.
13 A. That's okay, I know who they are.
14 MR. KILLMAN: Eric, before we get
15 started, do you want to agree upon the usual
16 stipulations?
17 MR. BRODIE: Sure, for the record,
18 we're going to reserve all objections until
19 the time of trial, except objection as to the
20 form of the question, and with regard to
21 signature?
22 MR. KILLMAN: 30 days to read, and
23 review, and to sign, notary waived. So you
24 just have to read the transcript within

Page 5

1 30 days of receipt.
2 THE WITNESS: Yes, I can do that.
3 BY MR. BRODIE:
4 Q. Just preliminarily, Mr. Lord, have you ever
5 had your deposition taken before?
6 A. I have.
7 Q. Well, presumably then, you've been instructed
8 with the ground rules?
9 A. You can explain them, in case they're
10 different.
11 Q. First of all, if I ask a question and you
12 don't understand it, by all means, let me
13 know, I am sure Ryan will let me know if I
14 ask a poorly worded question, and I'll be
15 happy to rephrase that. The corollary to
16 that is, if you answer a question, I will
17 assume you understood it, fair enough?
18 A. Fair enough.
19 Q. Also, since everything is being taken down by
20 the stenographer, uh-huh or uh-uhs don't show
21 up very well, so I ask that your answer be
22 verbal, yes, or no, or whatever your answer
23 might be other than a grunt, fair enough?
24 A. So done.

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1 read it, provides, starting at B, the plan
2 administrator, as agent of the plan sponsor
3 shall 4. Refer to the plan sponsor for
4 determination of A. Any claim or class of
5 claims the plan sponsor may specify B. Any
6 disputed claim C. Any claim involving any
7 question of eligibility or entitlement of the
8 claimant for coverage under the benefit plan
9 D. Any question with respect to the amount of
10 payment due or E. Any other question, have I
11 read paragraph 4 accurately?

12 A. Yes.

13 Q. Now we were talking before, with regard to,
14 you testified before, referenced before, to
15 confer with client in case of an ambiguity or
16 a question that arises under coverage of the
17 plan?

18 MR. KILLMAN: Objection.

19 Q. Is paragraph 4 here consistent with what your
20 understanding of how a TPA, like BeneFirst,
21 would interact with a plan sponsor, like W.E.
22 Aubuchon Company Inc. Or Aubuchon
23 Distribution Inc.?

24 A. I would say it's not the practical

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1 do about it, and the question is usually, do
2 we pay it or do we not. If we pay it, they
3 would say it would be paid outside the plan
4 as a matter of general business. All of
5 these issues in here don't come back to the
6 plan sponsor, they're normally just done by
7 the administrator.

8 Q. Am I correct that, for example, under 4C,
9 there's a reference here to the plan sponsor
10 for determination of, C. Any claim involving
11 any question of eligibility or entitlement of
12 the claimant for coverage under the benefit
13 plan. Now am I correct that typically, those
14 questions will be resolved by referring to
15 the plan documents?

16 MR. KILLMAN: Objection.

17 A. In theory, that decision, with respect to the
18 plan document, has already been made by the
19 administrator before it ever gets back, is
20 ever referred back, they make that decision
21 up front.

22 Q. By they?

23 A. The administrator, they make a decision as to
24 whether or not they believe the plan document

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1 application of the document.
2 Q. How does that differ, I am going to ask you
3 to clarify that for me?
4 A. The practical application is that the plan
5 administrator obviously receives the claim,
6 and they make a determination as to whether
7 it's covered or uncovered, or whether there's
8 an amount issue in question here as to the
9 levels in the plan, all of that. They will
10 make a determination and they will inform the
11 employee of their determination. Basically,
12 the only time, in my experience, that the
13 plan sponsor gets involved is if the employee
14 takes some exception to their decision.
15 Then, normally speaking, the administrator
16 would come back to the plan sponsor and say,
17 employee X has taken an exception to our
18 interpretation of our contract, what do you
19 want to do about it.

20 Q. What is the next step after that gets
21 referred back to the plan sponsor?

22 A. Well, it gets referred back, either a direct
23 telephone conversation or e-mail, and they
24 say, here is the issue, what do you want to

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1 covers the claim, and if the amount of
2 coverage is sufficient for the claim.
3 Q. And to add to that also whether or not the
4 person is even entitled to the coverage in
5 the first place, eligibility issues?

6 MR. KILLMAN: Objection.

7 A. It is practical matter. Again, eligibility
8 issues are usually clear enough. There are
9 rarely any eligibility questions that come
10 back to the plan sponsor, those are done by
11 the administrator. I can only think of one
12 or two, over all the years I've known about
13 one where there is an eligibility question,
14 that the sponsor takes any responsibility
15 for.

16 MR. KILLMAN: I just want to be
17 sure we're on the same page, when you make
18 reference to an administrator, who are we
19 making reference to?

20 THE WITNESS: BeneFirst.

21 MR. KILLMAN: I just want to be
22 clear, thank you.

23 BY MR. BRODIE:

24 Q. Questions arising under any of these

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1 engaged to deal with the wording in their
2 plan, and when the amendments were prepared,
3 they were obviously sent to me, to send along
4 to the carriers, and that was really my
5 participation. I did not participate in the
6 decision making as to what amendments were
7 made.

8 **Q. Is it your recollection that, at least in**
9 **Aubuchon's case, or Aubuchon Distribution, I**
10 **guess, as well, that their plans were amended**
11 **from time to time?**

12 A. Yes.

13 **Q. Do you recall who would have signed off on**
14 **those amendments?**

15 MR. KILLMAN: Objection.

16 A. For Aubuchon?

17 **Q. For Aubuchon?**

18 A. It would be Marcus Moran.

19 **Q. Is there anybody else who would have signed**
20 **off on them?**

21 A. It's possible, but I don't know this to be a
22 fact, that Sarah may have signed off on them.
23 But if she did, it was only with his specific
24 approval. He reserved that right for

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1 himself.

2 **Q. Is it your experience, do you recall**
3 **BeneFirst ever having a role in making any**
4 **changes to the plan, to either plan?**

5 A. Only if Marcus was contemplating a change.
6 He was the originator of the issues, he might
7 go to them, and say, is this standard in your
8 marketplace, you know, but they never had any
9 role in drawing the document or making the
10 decision. If they said, yes, it's regularly
11 done, then their role would more normally be
12 to tell him what the dollar impact on the
13 plan would be, if these amendments were
14 executed. But then, the amendments were
15 generated by the law firm that they engaged
16 for years to do those things, and then signed
17 off by Marcus.

18 MR. BRODIE: Okay, and with that, I
19 am finished, thank you very much.

20 MR. KILLMAN: No questions from me,
21 thank you very much.

22 (Whereupon, the deposition was
23 concluded at 4:57 p.m.)
24

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1 COMMONWEALTH OF MASSACHUSETTS
2 Middlesex, SS.

3
4 I, Tracy Coffman, a Notary Public
5 duly qualified in and for the Commonwealth of
6 Massachusetts, do hereby certify that the
7 foregoing statement is a true and correct
8 transcript of my original stenographic notes.
9 I further certify that I am neither
10 attorney or counsel for, nor related to or
11 employed by any of the parties to the action
12 in which this deposition is taken; and
13 furthermore, that I am not a relative or
14 employee of any attorney or counsel employed
15 by the parties thereto or financially
16 interested in the action.

17
18 IN WITNESS WHEREOF, I have hereunto
19 set my hand and affixed my Notarial seal this
20 3rd day of June, 2008.

21
22 Tracy Coffman,
23 Notary Public
24

16 My Commission Expires: August 31, 2012

17
18 THE FOREGOING CERTIFICATION OF THIS
19 TRANSCRIPT DOES NOT APPLY TO ANY REPRODUCTION
20 AND/OR DISTRIBUTION OF THE SAME BY ANY MEANS
21 UNLESS UNDER THE DIRECT CONTROL AND/OR
22 SUPERVISION OF THE CERTIFYING COURT REPORTER.
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8 When the Errata Sheet has been completed by the
9 deponent and signed, a copy thereof should be
10 delivered to each part of record and the ORIGINAL
11 forwarded to Mr. Brodie, Esquire, to whom the
12 original deposition transcript was delivered.
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14 INSTRUCTIONS TO DEPONENT
15 After reading this volume of your deposition, please
16 indicate any corrections or changes to your
17 testimony and the reasons therefore on the Errata
18 Sheet supplied to you and sign it. DO NOT make
19 marks or notations on the transcript volume itself.
20 Add additional sheets if necessary. Please refer to
21 the above instructions for errata sheet distribution
22 information.
23
24

7

3

1 UNITED STATES DISTRICT COURT
2 DISTRICT OF MASSACHUSETTS
3 C.A. 05-40159 FDS

4 W.E. AUBUCHON CO., INC.,)
5 AUBUCHON DISTRIBUTION, INC.,)
6 W.E. AUBUCHON CO., INC.,)
7 EMPLOYEE MEDICAL BENEFIT)
8 PLAN, and AUBUCHON)
9 DISTRIBUTION, INC., EMPLOYEE)
10 MEDICAL BENEFIT PLAN,)
11 Plaintiffs,)

12 VS.)

13 BENEFIRST, LLC,)
14 Defendant.)

15 DEPOSITION OF CHARLES T. DOBENS, taken
16 at the request of the Plaintiffs, pursuant to
17 Rule 30(b)(6) of the Federal Rules of Civil
18 Procedure before Julie A. Bates, a Notary
19 Public in and for the Commonwealth of
20 Massachusetts, on September 7, 2006, at the
21 offices of Bowditch & Dewey, 311 Main Street,
22 Worcester, Massachusetts.

23 A P P E A R A N C E S:

24 FOR THE PLAINTIFFS:
BOWDITCH & DEWEY, LLP
311 Main Street
Worcester, MA 01615
(508) 791-3511
BY: LOUIS M. CIAVARRA, ESQ.

FOR THE DEFENDANT:
THE MCCORMACK FIRM, LLC
One International Place
Boston, MA 02110
(617) 951-2929
BY: STEPHEN D. ROSENBERG, ESQ.

BAY STATE REPORTING AGENCY
76 MILL STREET, WORCESTER, MASSACHUSETTS 01603
(508) 753-4121

STIPULATIONS

MR. CIAVARRA: Steve, usual

stipulations with respect to reserving
objections until the time of trial and motions
to strike?

MR. ROSENBERG: Yes.

MR. CIAVARRA: I'd like to have the
witness read and sign his transcript, but
we'll, of course, waive notarization.

MR. ROSENBERG: That's fine.

MR. CIAVARRA: Okay?

CHARLES T. DOBENS, having been
satisfactorily identified by the production of
his driver's license and duly sworn, was
examined and testified as follows:

EXAMINATION BY MR. CIAVARRA:

Q. Sir, would you please state your
name?

A. Charles Dobens.

Q. And where do you reside, sir?

A. 30 Parkers Grove Lane, Duxbury,
Mass.

Q. Do you have any immediate plans to

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DEPONENT: **CHARLES T. DOBENS**
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move?

A. No.

Q. You understand you're here today for
your deposition in the case of Aubuchon versus
Benefirst?

A. Yes.

Q. And you've received a copy of the
notice of taking deposition of Benefirst?

A. Yes.

MR. CIAVARRA: Steve, I'm just going
to mark a copy of the notice as our first
exhibit.

(Exhibit No. 1, Notice of Taking
Deposition; so marked.)

Q. I'm not going to ask you detailed
questions about it, but this is the notice that
you're here for today -- in response to, I
should say?

(The witness reviewed the
documents.)

A. Yes.

Q. By whom are you currently employed?

A. I'm currently employed by America's
Choice Health Plans.

1 ERRATA SHEET

2

3 In accordance with the rules of

4 procedure governing depositions, you are

5 entitled to read and correct your deposition.

6 Accordingly, please carefully read your

7 deposition and, on this errata sheet, make any

8 changes or corrections in form or substance to

9 your deposition that you feel should be made.

10 PLEASE DO NOT MARK THE TRANSCRIPT. After

11 completing this procedure, sign at the

12 conclusion of such changes/corrections (if any)

13 and return it in accordance with your

14 instructions.

15

16

17

18

19

20

21

22

23

24 DATE: _____

1 COMMONWEALTH OF MASSACHUSETTS

2 WORCESTER, SS.

3

4 I, Julie A. Bates, Registered

5 Professional Reporter and Notary Public in and

6 for the Commonwealth of Massachusetts, do

7 certify that pursuant to appropriate notice of

8 taking deposition, there came before me the

9 following-named person, to wit: **CHARLES T.**

10 **DOBENS**, who was by me duly sworn; that he was

11 thereupon examined upon his oath and his

12 examination reduced to writing by me; and that

13 the deposition is a true record of the

14 testimony given by the witness.

15

16 I FURTHER CERTIFY that I am neither

17 a relative nor employee of nor counsel for any

18 of the parties, or a relative or employee of

19 such counsel or attorney, nor am I financially

20 or otherwise interested either directly or

21 indirectly in the outcome of the action.

22

23 IN WITNESS WHEREOF, I have hereunto

24 set my hand this 7th day of September, 2006.

Julie A. Bates, RPR
and Notary Public

My Commission Expires: April 11, 2008

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DOES NOT APPLY TO ANY REPRODUCTION AND/OR
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1 Excerpt from Rule 30 (e):

2 Submission to Witness; Changes; Signing.

3 When the testimony is fully transcribed, the

4 deposition shall be submitted to the witness

5 for examination and shall be read to or by

6 him/her, unless such examination and reading

7 are waived by the witness and by the parties.

8 Any changes in form or substance which the

9 witness desires to make shall be entered upon

10 the deposition by the officer with a statement

11 of the reasons given by the witness for making

12 them. This procedure must be accomplished

13 within 30 days of receipt of the transcript.

14 *****

15

16 I have read the foregoing, and it is a true

17 transcript of the testimony given by me at the

18 taking of the subject deposition.

19

20

21

22

23 CHARLES T. DOBENS

24

DATE _____

CASE NAME: Aubuchon vs. Benefirst

DATE TAKEN: September 7, 2006

5

1 Q. And when did you begin work with
2 them?

3 A. April 15th.

4 Q. Of '06?

5 A. Of this year, yes.

6 Q. What's your title?

7 A. No title.

8 Q. What are your duties and
9 responsibilities?

10 A. Essentially sales and service of a
11 self-funded and HRA block of health insurance
12 business.

13 Q. This block of business includes a
14 number of different clients?

15 A. Yes.

16 Q. And were they -- was that block all
17 at one point a business that was at Benefirst?

18 A. Not all. There's new business since
19 April 15th. So...

20 Q. Is it -- at the time you became
21 employed by America's Choice, the business that
22 you were responsible for was old Benefirst
23 business?

24 A. Yes, correct.

6

1 Q. All right. Where's your office?

2 A. It is 31 Schoosett,
3 S-C-H-O-O-S-E-T-T, Street in Pembroke, Mass.

4 Q. Is that where Benefirst's offices
5 were?

6 A. No, no.

7 Q. What's your educational background?

8 A. College. Boston College, Mass
9 School of Law.

10 Q. When did you get out of BC?

11 A. '86.

12 Q. Have you ever practiced law?

13 A. No.

14 Q. The Defendant in this case,
15 Benefirst, LLC --

16 A. Yes.

17 Q. -- was there a time which you had
18 some relationship with that company?

19 A. Yes.

20 Q. And what was that relationship?

21 A. I was the managing member.

22 Q. Were there other managing members?

23 A. Yes -- no. No other managing
24 member.

7

1 Q. When was Benefirst formed?

2 A. August of 1999. I don't know the
3 exact date.

4 Q. Were you one of the original
5 members?

6 A. Yes.

7 Q. And you held that position as the
8 managing member until April 15th of 2006?

9 A. That's correct.

10 Q. What happened to Benefirst at that
11 time?

12 A. It was sold. The assets were
13 acquired by America's Choice Health Plans out
14 of Houston, Texas.

15 Q. So it was an asset sale, not a stock
16 sale?

17 A. There's no stock in an LLC, so...

18 Q. Right. Were all the assets of
19 Benefirst sold?

20 A. Yes.

21 Q. Did those assets include computers?

22 A. Yes.

23 Q. So whatever computers were owned by
24 Benefirst were sold to America's Choice?

8

1 A. Yes.

2 Q. Where are they physically located
3 now?

4 A. Well, about four of them are still
5 left. The other ones were taken over by a
6 company called Pembroke Computer as part of the
7 transaction for them to set up our new office.
8 As a form of compensation to them, ACH decided
9 that they didn't need all those computers, and
10 so they sold them -- you know, they reduced
11 their fee with Pembroke Computer by giving them
12 the computers.

13 Q. These are stand-alone PCs?

14 A. Yes.

15 Q. How many -- Benefirst, how many PCs
16 did they have?

17 A. I'd say -- Benefirst had about 15
18 PCs.

19 Q. Of which now four are physically
20 where?

21 A. Physically in Pembroke.

22 Q. And that means about 11 were sold to
23 Pembroke Computer?

24 A. That's correct.

9

11

1 Q. Were the computers at Benefirst
2 networked?

3 A. Yes.

4 Q. On a server?

5 A. Yes.

6 Q. And where is, physically, the
7 server?

8 A. The server is physically in
9 Pembroke.

10 Q. Still in Pembroke. Where was
11 Benefirst located?

12 A. Marshfield.

13 Q. So they had to be moved from
14 Marshfield to Pembroke?

15 A. Right. That's what Pembroke
16 Computer did.

17 Q. Okay. How many servers did
18 Benefirst have?

19 A. Just one.

20 Q. Who makes that server?

21 A. Dell. Dell Edge, I think is what
22 they are called.

23 Q. Do you know when Benefirst first got
24 that server?

10

1 A. Geez, I'm going to say around 2001,
2 2002. I'm not exactly sure of the date.

3 Q. Did Benefirst have an IT person
4 in-house that helped with this stuff?

5 A. No.

6 Q. Did you have some direct
7 involvement?

8 A. Yeah. Oh, sure.

9 Q. So you're familiar with the computer
10 system.

11 A. Exactly, yep.

12 Q. Were all 15 -- I know 15 is probably
13 an estimate not necessarily an exact number.

14 A. Yeah, because I think it got as high
15 as 19. But I think when Pembroke took it over,
16 I think it was about 15.

17 Q. Prior to the sale to America's
18 Choice, did you dispose of any of the PCs at
19 Benefirst?

20 A. Dispose --

21 Q. Did you throw any away?

22 A. No.

23 Q. Did you give any to any employees?

24 A. Yeah. I gave one to Linda Hart,

1 yep. And I think I took one myself and gave it
2 to my kids. The rest of them I -- we may have
3 given one to another employee. I just don't
4 remember.

5 Q. What did you do to -- when you gave
6 a computer whether to Linda Hart or your kids,
7 what did you do to take the data off it that
8 belonged to Benefirst?

9 A. There really wasn't any data on it.
10 It was all networked. So it didn't hold any --
11 if you go back and look at it, there's no data
12 on that computer. They always drew down off of
13 the server. Nothing was really saved on those
14 computers.

15 Q. What e-mails -- wouldn't e-mails be
16 saved on the computers, each individual PC?

17 A. Saved on the server.

18 Q. But also on the PC for that day,
19 aren't they? This is a question, I'm not --

20 A. Yeah, you know? I don't know the
21 answer. I think it was all dependent upon how
22 the computer was set up.

23 Q. And to the best of your knowledge,
24 all the computers, individual PCs, used at

12

1 Benefirst were networked into the server?

2 A. Yes. All of them were.

3 Q. Did they all have e-mail access?

4 A. Yes.

5 Q. Okay. And what e-mail system did
6 you use at Benefirst?

7 A. Microsoft Exchange server.

8 Q. So to the best of your knowledge,
9 any e-mails that were exchanged or -- at
10 Benefirst with anyone outside the company would
11 reside on the server?

12 A. Exactly, yep.

13 Q. And that server's still at -- well,
14 now it's at America's Choice.

15 A. That's right.

16 Q. Have you done anything to protect or
17 segregate that information -- the Benefirst
18 data from America's Choice, or is it pretty
19 seamless?

20 A. It's totally separated. The only
21 thing we're pulling off of the F drive --
22 that's the server, I call it the F drive -- is
23 files that we had on the server prior to ACH.
24 Everything after April 15th is ACH's business,

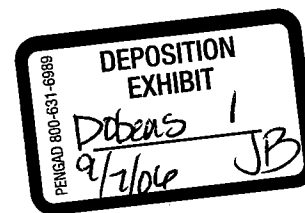
UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON
DISTRIBUTION, INC., W.E. AUBUCHON
CO. INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON
DISTRIBUTION, INC. EMPLOYEE
MEDICAL BENEFIT PLAN
Plaintiffs.

v.

BENEFIRST, LLC,
Defendant.

C.A. No. 05-40159FDS
(Louis M. Ciavarra. BBO# 546481)
(Ryan T. Killman BBO# 654562)
(Colleen E. Cushing BBO# 663498)



To: Stephen D. Rosenberg, Esquire
Eric L. Brodie, Esquire
The McCormack Firm
1 International Place – 7th Floor
Boston, MA 02110

NOTICE OF TAKING DEPOSITION OF BENEFIRST, LLC

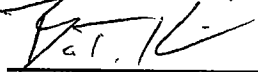
Please take notice, that the deposition by oral examination of **Benefirst, LLC** with regard to the topics specified in the attached **Schedule A**, will be taken pursuant to Rule 30(b)(6) of the Federal Rules of Civil Procedure before a qualified court reporter at the offices of Bowditch & Dewey, LLP, 311 Main Street, Worcester Massachusetts, at 10:00 a.m. on August 31, 2006 and thereafter by adjournment until the same shall be completed. Benefirst, LLC shall designate one or more officers, agents or other persons who can testify on its behalf with respect to the specific matters set forth in **Schedule A**.

You are invited to attend and cross examine.

Respectfully submitted,

W.E. AUBUCHON CO., INC.,
AUBUCHON DISTRIBUTION, INC.,
W.E. AUBUCHON CO., INC.
EMPLOYEE MEDICAL BENEFIT PLAN, and
AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN
(collectively "Plaintiffs"),

By Their Attorneys,



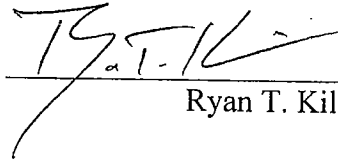
Louis M. Ciavarra (BBO#546481)
Ryan T. Killman (BBO#654562)
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Bowditch & Dewey, LLP
311 Main Street
P.O. Box 15156
Worcester, MA 01615-0156
Telephone: (508) 926-3408
Facsimile: (508) 929-3011

Dated: August 21, 2006

CERTIFICATE OF SERVICE

I, Ryan T. Killman, hereby certify that on this 21st day of August, 2006 I have served the foregoing by mailing a copy thereof, postage prepaid, to the following:

Stephen D. Rosenberg, Esquire
Eric L. Brodie, Esquire
The McCormack Firm
1 International Place – 7th Floor
Boston, MA 02110



Ryan T. Killman

SCHEDULE A

1. Any and all facts concerning the keeping of files, documents (paper and electronic) or other papers by Benefirst, LLC ("Benefirst") in connection with services it provided to Plaintiffs.
2. Any and all facts concerning the filing and retention of RPC reports by Benefirst.
3. Any and all facts concerning Benefirst's document retention policy(s) between the time it began providing services to Plaintiffs and the present.
4. Any and all facts concerning Benefirst's document destruction policy(s) between the time it began providing services to Plaintiffs and the present.
5. Any and all facts concerning the current location of Benefirst's files.
6. Any and all facts concerning the current format in which Benefirst's files are maintained.
7. Any and all facts concerning Benefirst's use of computers, including the RIMS system, in connection with providing services to Plaintiffs.
8. Any and all facts concerning the RIMS system used by Benefirst in connection with services it provided to Plaintiffs.
9. Any and all facts concerning the current location of the RIMS system used by Benefirst in connection with services it provided to Plaintiffs.
10. Any and all facts concerning who or what currently controls the RIMS system used by Benefirst in connection with services it provided to Plaintiffs.
11. Any and all facts concerning the current accessibility of the RIMS system used by Benefirst in connection with services it provided to Plaintiffs.
12. Any and all facts concerning when Benefirst stopped having access to the RIMS system which it used in connection with services it provided to Plaintiffs.
13. Any and all facts concerning the leasing of the RIMS system by Benefirst.

8

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON
DISTRIBUTION, INC., W.E. AUBUCHON
CO. INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON
DISTRIBUTION, INC. EMPLOYEE
MEDICAL BENEFIT PLAN,

Plaintiffs,

v.

BENEFIRST, LLC,

Defendant.

Civil Action No. 05-40159 FDS

**DEFENDANT BENEFIRST, LLC'S RESPONSE TO
PLAINTIFF'S REQUESTS FOR ADMISSIONS**

Request No. 1

The provisions contained in the service agreement attached hereto as Exhibit A accurately reflect the agreement reached between BeneFirst and W.E. Aubuchon Co., Inc. and Aubuchon Distribution, Inc. in connection with its administration of the W.E. Aubuchon Co. Inc. Employee Medical Benefit Plan and Aubuchon Distribution, Inc. Employee Medical Benefit Plan for the entire period of the parties' respective relationships.

Response No. 1

Objection. The request is not specific as to which provisions of Exhibit A are at issue, and fails to define "the entire period of the parties' respective relationships," thereby rendering the request vague. Moreover, this document appears to have been scanned and processed by OCR software. Without waiving the foregoing, BeneFirst denies Request No. 1.

Request No. 2

BeneFirst exercised discretionary authority and/or control over the administration of the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 2

Denied.

Request No. 3

BeneFirst exercised discretionary authority and/or control over the administration of the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 3

Denied.

Request No. 4

BeneFirst was obligated to maintain, for the duration of its service agreement with Plaintiffs and for two years thereafter, adequate records of all transactions between the Plan Sponsor, the Plan Administrator and Plan Participants.

Response No. 4

Objection. The request is not specific as to which plaintiffs this request applies, and therefore assumes facts not in evidence and is vague. Without waiving the foregoing objection, BeneFirst admits only that the contract terms as alleged by certain plaintiffs in this litigation stated that BeneFirst shall maintain, for the duration of any applicable service agreement with a Plan Sponsor and for two years thereafter, adequate records of all transactions.

Request No. 5

Under ERISA, BeneFirst was obligated to maintain any and all records in its possession in connection with services it provided as Third Party Administrator for the plaintiffs for a period of not less than six years.

Response No. 5

Objection. The request is not specific as to which plaintiffs this request applies, and therefore assumes facts not in evidence and is vague. Without waiving the foregoing objections, BeneFirst admits generally that ERISA has a six-year recordkeeping requirement, but denies that BeneFirst was obligated to maintain "any and all records in its possession."

Request No. 6

This lawsuit was filed on September 12, 2005.

Response No. 6

Admitted.

Request No. 7

BeneFirst was served with the Complaint in this matter on September 13, 2005.

Response No. 7

Admitted.

Request No. 8

Claims records used by and/or created by BeneFirst in connection with services it provided to Plaintiffs as a Third Party Administrator between 2001 and 2004, evidence BeneFirst's administration of claims on behalf of Plaintiffs during that time period.

Response No. 8

Objection. This request does not request the admission of a "fact, application of law to fact, or opinion about either," nor does it request the genuineness of any document. Rather, this request seeks a commentary regarding the evidentiary value of "claims records," an undefined term. As such, Request No. 8 is an inappropriate request under Rule 36. Finally, this request is not specific as to which plaintiffs this request applies, and therefore assumes facts not in evidence and is vague.

Request No. 9

On February 6, 2007, the Court (Hillman, J.) issued an Order which required BeneFirst to "Produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs...."

Response No. 9

Objection. This request does not request the admission of a "fact, application of law to fact, or opinion about either," nor does it request the genuineness of any document, nor does it seek a matter that is relevant to any party's claim or defense, or nor is the request reasonably calculated to lead to the discovery of admissible evidence. As such, Request No. 9 is an inappropriate request under Rule 36. Without waiving the foregoing objections, BeneFirst admits only that the quoted language above is a part of the Order rendered by Judge Hillman on February 6, 2007, but further notes that the order recites that it is a denial of a motion to

reconsider a previous order requiring BeneFirst to produce "medical claims files, including actual bills in its possession, custody or control."

Request No. 10

BeneFirst did not produce all of the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs.

Response No. 10

Objection. This request does not request the admission of a "fact, application of law to fact, or opinion about either," nor does it request the genuineness of any document, nor does it seek a matter that is relevant to any party's claim or defense, or nor is the request reasonably calculated to lead to the discovery of admissible evidence. As such, Request No. 10 is an inappropriate request under Rule 36. Without waiving the foregoing objections, BeneFirst admits only that it produced all claims images in its possession, custody or control in complying with Judge Hillman's order.

Request No. 11

Of the 2,991 claims listed in the Aubuchon Employee Benefits Plan spreadsheet provided by Plaintiffs to BeneFirst, BeneFirst was only able to locate 1,777 of those claims.

Response No. 11

Objection. This request does not request the admission of a "fact, application of law to fact, or opinion about either," nor does it request the genuineness of any document, nor does it seek a matter that is relevant to any party's claim or defense, or nor is the request reasonably calculated to lead to the discovery of admissible evidence. As such, Request No. 11 is an inappropriate request under Rule 36. Without waiving the foregoing objections, BeneFirst admits only that it produced all claims images in its possession, custody or control in complying with Judge Hillman's order.

Request No. 12

Of the 166 claims listed in the Aubuchon Distribution Employee Benefits Plan spreadsheet provided by Plaintiffs to BeneFirst, BeneFirst was only able to locate 105 of those claims.

Response No. 12

Objection. This request does not request the admission of a "fact, application of law to fact, or opinion about either," nor does it request the genuineness of any document, nor does it seek a matter that is relevant to any party's claim or defense, or nor is the request reasonably calculated to lead to the discovery of admissible evidence. As such, Request No. 12 is an inappropriate request under Rule 36. Without waiving the foregoing objections, BeneFirst

admits only that it produced all claims images in its possession, custody or control in complying with Judge Hillman's order.

Request No. 13

Benefirst failed to maintain records relating to the W.E. Aubuchon Co., Inc., Employee Medical Benefit Plan in accordance with its obligations under its service contract with W.E. Aubuchon Co., Inc.

Response No. 13

Denied.

Request No. 14

Benefirst failed to maintain records relating to the W.E. Aubuchon Co., Inc., Employee Medical Benefit Plan in accordance with its obligations under ERISA.

Response No. 14

Denied.

Request No. 15

Benefirst failed to maintain records relating to the Aubuchon Distribution, Inc., Employee Medical Benefit Plan in accordance with its obligations under its service contract with Aubuchon Distribution, Inc.

Response No. 15

Denied.

Request No. 16

Benefirst failed to maintain records relating to the Aubuchon Distribution, Inc., Employee Medical Benefit Plan in accordance with its obligations under ERISA.

Response No. 16

Denied.

Request No. 17

Exhibit 1 to W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan's Supplemental Answers to Interrogatories accurately reflects claims for which BeneFirst has failed to provide documentation.

Response No. 17

Denied.

Request No. 18

Exhibit 2 to W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan's Supplemental Answers to Interrogatories accurately reflects errors made by BeneFirst as Third Party Administrator for the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 18

Denied.

Request No. 19

Exhibit 3 to W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan's Supplemental Answers to Interrogatories accurately reflects errors made by BeneFirst as Third Party Administrator for the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 19

Denied.

Request No. 20

Exhibit 1 to Aubuchon Distribution, Inc.'s Supplemental Answers to Interrogatories accurately reflects claims for which BeneFirst has failed to provide documentation.

Response No. 20

Denied.

Request No. 21

Exhibit 2 to Aubuchon Distribution, Inc.'s Supplemental Answers to Interrogatories accurately reflects errors made by BeneFirst as Third Party Administrator for the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 21

Denied.

Request No. 22

BeneFirst improperly paid claims for ineligible procedures, services or benefits in connection with claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 22

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, BeneFirst denies the allegations in Request No. 22, as the evidence suggests that BeneFirst properly paid claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Request No. 23

BeneFirst improperly paid claims for ineligible procedures, services or benefits in connection with claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 23

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, BeneFirst denies Request No. 23, as the evidence suggests that BeneFirst properly paid claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Request No. 24

BeneFirst improperly paid claims for persons ineligible to receive benefits under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 24

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices

as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies the allegations in Request No. 24, as the evidence suggests that BeneFirst properly paid claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Request No. 25

BeneFirst improperly paid claims for persons ineligible to receive benefits under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 25

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies Request No. 25, as the evidence suggests that BeneFirst properly paid claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Request No. 26

BeneFirst improperly paid duplicate claims in connection with claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 26

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies the allegations in Request No. 26, as the evidence suggests that BeneFirst properly paid claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Request No. 27

BeneFirst improperly paid duplicate claims in connection with claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 27

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies Request No. 27, as the evidence suggests that BeneFirst properly paid claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Request No. 28

BeneFirst paid improper amounts for claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 28

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies the allegations in Request No. 28, as the evidence suggests that BeneFirst properly paid claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Request No. 29

BeneFirst paid improper amounts for claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 29

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies Request No. 29, as the evidence suggests that BeneFirst properly paid claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Request No. 30

BeneFirst improperly calculated applicable deductibles in connection with claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Response No. 30

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies the allegations in Request No. 30, as the evidence suggests that BeneFirst properly paid claims made under the Aubuchon Distribution, Inc. Employee Medical Benefit Plan.

Request No. 31

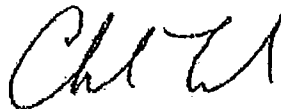
BeneFirst improperly calculated deductibles in connection with claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

Response No. 31

Objection. The request is not specific as to which claim or claims are at issue, and is therefore vague as to whether the request is directed at BeneFirst's claims payment practices as to specific claims or in general. Without waiving the foregoing objection, Benefirst denies Request No. 31, as the evidence suggests that BeneFirst properly paid claims made under the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan.

BeneFirst, LLC, Defendant

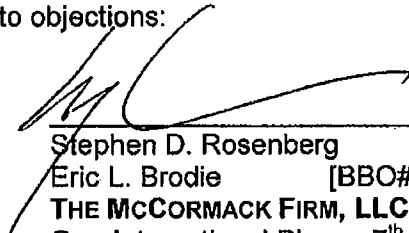
By:



Charles T. Dobens

As to objections:

By:

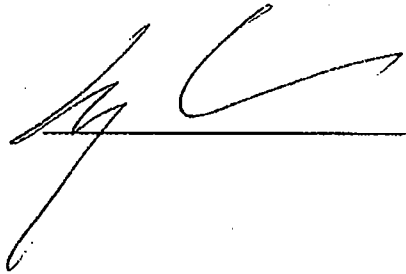


Stephen D. Rosenberg [BBO# 558415]
Eric L. Brodie [BBO# 639833]
THE MCCORMACK FIRM, LLC
One International Place - 7th Floor
Boston, MA 02110
Ph: 617-951-2929
Fax: 617-951-2672

CERTIFICATE OF SERVICE

The undersigned certifies that on April 14, 2008, a copy of the foregoing DEFENDANT BENEFIRST, LLC'S RESPONSE TO PLAINTIFF'S REQUESTS FOR ADMISSIONS was served by first class U.S. Mail, postage prepaid, and by a .pdf image of this document served electronically upon:

Louis M. Ciavarra, Esq.
Ryan T. Killman, Esq. rkillman@bowditch.com
Bowditch & Dewey, LLP
311 Main Street
P.O. Box 15156
Worcester, MA 01615-0156



108802.3

9

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON
DISTRIBUTION, INC., W.E. AUBUCHON
CO. INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON
DISTRIBUTION, INC. EMPLOYEE
MEDICAL BENEFIT PLAN
Plaintiffs,

v.

BENEFIRST, LLC,
Defendant.

C.A. No. 05-40159FDS
(Louis M. Ciavarra. BBO# 546481)
(Ryan T. Killman BBO# 654562)
(Colleen E. Cushing BBO# 663498)

**PLAINTIFF W.E. AUBUCHON CO., INC. EMPLOYEE MEDICAL BENEFIT PLAN'S
SUPPLEMENTAL ANSWERS TO INTERROGATORIES**

GENERAL OBJECTIONS

1. Plaintiff W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan ("Plaintiff"), objects to each and every Interrogatory to the extent that it seeks information and/or materials privileged from discovery by the attorney-client privilege and/or the attorney work-product doctrine.

2. Plaintiff objects to each and every Interrogatory to the extent that it seeks information which is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

3. Plaintiff objects to each and every Interrogatory to the extent that it is overly broad and/or unduly burdensome.

4. Plaintiff objects to each and every Interrogatory to the extent that it is vague and ambiguous.

5. Plaintiff objects to each and every interrogatory to the extent that it purports to establish a continuing duty to supplement, or seeks to impose a duty beyond those imposed by the

Federal Rules of Civil Procedure.

6. Each of the General Objections shall be deemed to apply to each of Defendant's separate Interrogatories.

ANSWERS

Interrogatory No. 1

Please identify the person answering and signing these interrogatories, including name, age, residence address, occupation, business address, job title, and the relationship and capacity of such person to the Plan.

Answer No. 1

Sarah Q. Arel, Benefits Manager, W.E. Aubuchon Co., Inc., 95 Aubuchon Drive, Westminister, Massachusetts 01473-0473.

Interrogatory No. 2

State the full name and current residence address for each person who has knowledge of any of the Plaintiffs' claims against BeneFirst, and for each such person, describe your understanding of the subject of their knowledge and what they know.

Answer No. 2

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it seeks information and/or materials which are privileged from discovery pursuant to the attorney-client privilege and/or the work product doctrine. Plaintiff further objects to this Interrogatory on the grounds that it is overly broad, vague and ambiguous. Notwithstanding and without waiving the foregoing objections, Plaintiff states as follows:

M. Marcus Moran, Jr., President and Treasurer of W.E. Aubuchon Co. Inc., 95 Aubuchon Street, Westminister, MA. 01473, has knowledge regarding the retention of BeneFirst, LLC as Third Party Administrator and BeneFirst, LLC's wrongful acts and omissions consisting of breach of the Administrative Services Agreement (the "Agreement") and the negligent delivery of

services under the W.E. Aubuchon Co. Inc. Employee Medical Benefit Plan and Aubuchon Distribution, Inc. Employee Medical Benefit Plan (the "Plans").

Sarah Q. Arel, Benefits Manager of W.E. Aubuchon Co. Inc., 95 Aubuchon Street, Westminister, MA 01473, has knowledge regarding the retention of BeneFirst, LLC as Third Party Administrator and BeneFirst, LLC's wrongful acts and omissions consisting of breach of the Agreement and the negligent delivery of services under the Plans.

Charles T. Dobens, 30 Parkers Grove Lane, Duxbury, MA, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Carrie Reddie, formerly of BeneFirst, LLC, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Maureen Fitzgerald, formerly of BeneFirst, LLC, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Paul Sullivan, formerly of BeneFirst, LLC, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Sandra Schnabel of BP, Inc., 6160 Summit Drive, Brooklyn Center, MN, upon information and belief, has knowledge regarding excess insurance coverage issues relating to the payment of claims made by plan participants and the effect of BeneFirst, LLC's mishandling of said claims on Plaintiff's excess insurance.

Adria L. Garneau, CEBS, of Northshore International Insurance Services, 199 Rosewood Drive, Danvers, MA 01923, has knowledge regarding the mishandling of plan participants' claims by BeneFirst, LLC.

Paul Gatanti, formerly of BeneFirst, LLC, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Charles S. Lord, of the Chittenden Insurance Group, Burlington, Vermont, upon information and belief, has knowledge regarding the retention of BeneFirst, LLC as Third Party

Administrator and BeneFirst, LLC's wrongful acts and omissions consisting of breach of the Agreement and the negligent delivery of services under the Plans.

Interrogatory No. 3

Identify and describe the role of:

- a. all persons who participated or played any role in negotiating the Plan's retention of BeneFirst as the plan's administrator;
- b. all persons who participated or played any role in the administration or management of the Plan during any year BeneFirst administered the Plan.

Answer No. 3

- a. Sarah Q. Arel, M. Marcus Moran, Jr., and Charles S. Lord participated in negotiating the retention of BeneFirst, LLC as Third Party Administrator.
- b. Sarah Q. Arel participated in the administration and/or management of the W.E. Aubuchon Co. Inc. Employee Medical Benefit Plan and Aubuchon Distribution Inc. Employee Medical Benefit Plan while BeneFirst, LLC served as Third Party Administrator of said Plans.

Interrogatory No. 4

Please identify the plan years that are at issue in your complaint.

Answer No. 4

Plaintiff states that its Complaint alleges damages relating to negligent acts and/or omissions by BeneFirst, LLC, as Third Party Administrator, during each year in which BeneFirst, LLC was Third Party Administrator, 2001-2004. However, whereas discovery is ongoing in this matter and Plaintiff has been delayed by Defendant's failure to provide it with data necessary to conduct a full audit of all claims administered by BeneFirst, LLC, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 5

Do you contend that the defendant improperly paid claims for **ineligible procedures, services, or benefits**? If so, for each such claim, identify each such claim by claimant, date of claim, claim number, amount paid, and description of procedure/service/benefit, and state why you contend the procedure/service/benefit was ineligible.

Answer No. 5

Yes. Plaintiff alleges that BeneFirst, LLC, through its negligent acts and omissions failed to properly investigate and pay plan participants' claims in violation of the Agreement, the express provisions of the respective plans, industry-wide third party administrator processing guidelines, and BeneFirst, LLC's own policies and procedures. Further answering, Plaintiff states that while discovery is ongoing and Plaintiff has been delayed in conducting a full audit of all claims under the Plans by BeneFirst, LLC's failure to provide Plaintiff with all relevant data, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Further answering, Plaintiff refers to Exhibit 1 attached hereto which provides a summary of claims mishandled by BeneFirst, LLC based on an initial audit. Exhibit 1 categorizes errors as "Potential Errors" and "Actual Errors." "Actual Errors" include claims which were improperly paid by BeneFirst, LLC while "Potential Errors" include claims where it appears that BeneFirst, LLC improperly paid claims due to BeneFirst, LLC's failure to utilize the requisite due diligence in handling the claim and further investigation is necessary.

Supplemental Answer No. 5

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to "improperly paid claims for ineligible procedures, services, or benefits" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required

BeneFirst, LLC to “produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs” BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court’s Order.

BeneFirst, LLC’s failure to comply with the Court’s Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include “provider bills.” Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff’s Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has improperly paid claims for ineligible procedures, services, or benefits and refers to Exhibit I, Exhibit II (Nos. 71-76, 116), and Exhibit III (Nos. 11, 12, 31, 32,

35 and 47).¹ In addition, BeneFirst, LLC failed to fully investigate claims referenced in Exhibit II (Nos. 1-20, 64-67 and 77), and Exhibit III (Nos. 1-3, 5, 6, 13, 23, 34, 41-43 and 53).

Further answering, Plaintiff states that while discovery is ongoing and, as a result of BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, Plaintiff has been unable to conduct a full audit of all claims under the Plans, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 6

Do you contend that the defendant improperly paid claims for **persons ineligible to receive benefits**? If so, for each such claim, identify each such claim by claimant, date of claim, claim number, amount paid, and description of procedure/service/benefit, and state why you contend the claimant was ineligible.

Answer No. 6

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 6

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to "improperly paid claims for persons ineligible to receive benefits" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

¹ It should be noted that when reviewing Exhibits II and III, "Procedural Errors" indicate instances where BeneFirst, LLC failed to properly investigate a claim or claims. The failure to sufficiently investigate a claim constitutes an improper adjudication of that claim. "Payment Errors" are those where BeneFirst, LLC made improper payments.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff's Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has improperly paid claims for persons ineligible to receive benefits and refers to Exhibit I, Exhibit II (Nos. 35-46, 64-67, 71-76 and 115), and Exhibit III (Nos. 2, 3, 6, 7, 17, 20, 41, 47 and 49). In addition, BeneFirst, LLC failed to fully investigate claims referenced in Exhibit II (Nos. 1-20, 64-67 and 77), and Exhibit III (Nos. 1-3, 5, 6, 13, 23, 34, 41-43 and 53).

Further answering, Plaintiff states that while discovery is ongoing and, as a result of BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, Plaintiff has been unable to conduct a full audit of all claims under the Plans, Plaintiff reserves the right to

supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 7

Do you contend that the defendant paid **duplicate** claims? If so, identify each such claim by claimant, claim number, amount paid, and description of procedure/service/benefit, and the date(s) such payments were made, and state why you believe the payment(s) were duplicates.

Answer No. 7

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 7

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to instances where BeneFirst "paid duplicate claims" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff's Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has paid duplicate claims and refers to Exhibit I, Exhibit II (Nos. 71-76), and Exhibit III (Nos. 1, 8, 13 and 47). In addition, BeneFirst, LLC failed to fully investigate claims referenced in Exhibit II (Nos. 1-20, 64-67 and 77), and Exhibit III (Nos. 1-3, 5, 6, 13, 23, 34, 41-43 and 53).

Further answering, Plaintiff states that while discovery is ongoing and, as a result of BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, Plaintiff has been unable to conduct a full audit of all claims under the Plans, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 8

Do you contend that the defendant paid **improper amounts** for claims? If so, identify each such claim by claimant, date of claim, claim number, amount paid, and description of procedure/service/benefit, and state the amount you believe should have been paid and the basis for your contention.

Answer No. 8

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 8

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to instances where BeneFirst "paid improper amounts for claims" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff's Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying

them. Plaintiff reserves the right to move the Court for discovery against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has paid improper amounts for claims and refers to Exhibit I, Exhibit II (Nos. 21-34, 38, 47-64, 68-76, 79-93, 100, 107-114 and 116), and Exhibit III (Nos. 1, 2, 4, 5, 9, 10, 13, 14, 15, 16, 18, 19, 21, 22, 24-30, 32, 33, 36-42, 44-49, 51 and 52). In addition, BeneFirst, LLC failed to fully investigate claims referenced in Exhibit II (Nos. 1-20, 64-67 and 77), and Exhibit III (Nos. 1-3, 5, 6, 13, 23, 34, 41-43 and 53).

Further answering, Plaintiff states that while discovery is ongoing and, as a result of BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, Plaintiff has been unable to conduct a full audit of all claims under the Plans, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 9

Do you contend that the defendant improperly calculated applicable **deductibles**? If so, identify relevant claims by claimant, date of claim, claim number, description of procedure/service/benefit, and the deductible that was applied, the deductible that you believe should have been applied and the basis for your contention.

Answer No. 9

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 9

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to instances where BeneFirst "improperly calculated applicable deductibles" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required

BeneFirst, LLC to “produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs” BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court’s Order.

BeneFirst, LLC’s failure to comply with the Court’s Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include “provider bills.” Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff’s Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has improperly calculated applicable deductibles and refers to Exhibit I, Exhibit II (Nos. 71-76), and Exhibit III (Nos. 16, 18, 22, 47 and 51). In addition BeneFirst, LLC failed to fully investigate claims referenced in Exhibit II (Nos. 1-20, 64-67 and 77), and Exhibit III (Nos. 1-3, 5, 6, 13, 23, 34, 41-43 and 53).

Further answering, Plaintiff states that while discovery is ongoing and, as a result of BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, Plaintiff has been unable to conduct a full audit of all claims under the Plans, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 10

Do you contend that your stop loss policy **premiums** were affected by anything done by the defendant? If so, describe the basis for your contention that your premiums were so affected and the amounts to which they were affected.

Answer No. 10

Yes. Because premiums are impacted by loss history, the fact that Plaintiff's losses appeared greater than they actually were increased Plaintiff's premium. Plaintiff does not know yet the extent of that loss. Whereas discovery is ongoing in this matter, Plaintiff reserves the right to supplement this Answer in the future.

Supplemental Answer No. 10

OBJECTION: Plaintiff objects to this Interrogatory on the grounds that BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of Plaintiff's employees' claims for which BeneFirst, LLC has failed to provide supporting records, which includes "provider bills." Because the provider bill is

the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff's Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes. Because premiums are impacted by loss history, the fact that Plaintiff's losses appeared greater than they actually were increased Plaintiff's premium. Plaintiff has estimated that its premiums increased by approximately \$192,700.00. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further damages suffered as a result of BeneFirst, LLC's errors and omissions in connection with its administration of the above-referenced Plans.

Interrogatory No. 11

Do you contend that you have been damaged by any other act, error, or omission on the part of BeneFirst that has not been described in your response to a preceding interrogatory? If so, describe the nature of said act, error, or omission.

Answer No. 11

Plaintiff is unaware of any damages by any other act, error, or omission on the part of

BeneFirst, LLC other than those referenced in Plaintiff's Answer to Interrogatory No. 5. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers any other act, error, or omission on the part of BeneFirst that has not been described in Plaintiff's Answers to the preceding interrogatories.

Supplemental Answer No. 11

OBJECTION: Plaintiff objects to this Interrogatory on the grounds that BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order. BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of Plaintiff's employees' claims for which BeneFirst, LLC has failed to provide supporting records, including: "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff's Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying

them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Plaintiff is unaware of any damages by any other act, error, or omission on the part of BeneFirst, LLC other than those referenced in Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers any other act, error, or omission on the part of BeneFirst, LLC that has not been described in Plaintiff's Answers to these interrogatories.

Interrogatory No. 12

If you contend that any act, error or omission by BeneFirst constituted a breach of contract, identify the contract at issue, the specific language of the contract you contend was breached, and how BeneFirst breached that contractual language.

Answer No. 12

Plaintiff claims that BeneFirst, LLC breached the Agreement. Plaintiff states that BeneFirst, LLC breached Section I(B)(1) which provides that "the Plan Administrator, as Agent of the Plan Sponsor, shall:... [p]ay plan benefits in its usual and customary manner subject to and in accordance with this Agreement to or on behalf of persons entitled to receive plan benefits..." Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers other contract provisions which were breached as a result of the acts or omissions of BeneFirst, LLC in connection with its administration of the above-referenced Plans. In further response to this Interrogatory, Plaintiff refers to its Answer to Interrogatory No. 5.

Supplemental Answer No. 12

Plaintiff claims that BeneFirst, LLC breached the Agreement. Plaintiff states that BeneFirst, LLC has breached the following provisions of the Agreement:

Section I(B)(1) which provides:

The Plan Administrator, as Agent of the Plan Sponsor, shall... [p]ay plan benefits in its usual and customary manner subject to and in accordance with this Agreement to or on behalf of persons entitled to receive plan benefits....

Section I(B)(3): which provides:

The Plan Administrator, as Agent of Plan Sponsor, shall... [m]aintain, for the duration of this Agreement and for two (2) years thereafter, adequate records of all transactions between Plan Sponsor, the Plan Administrator and plan participants. The records are the property of the Plan Sponsor. The Plan Sponsor has the right to continuing access to their records.

Section IV(C) which provides:

If it is determined that any payment has been made under this Agreement to an ineligible employee or dependent, or if its determined that more or less than the correct amount has been paid by the Plan Administrator, the Plan Administrator will make a diligent effort to recover the payment made to an ineligible person but, the Plan Administrator will not be required to initiate court proceedings for any such recovery.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers other contract provisions which were breached as a result of the acts or omissions of BeneFirst, LLC in connection with its administration of the above-referenced Plans. In further response to this Interrogatory, Plaintiff refers to its Supplemental Answers to Interrogatory Nos. 5-9.

Interrogatory No. 13

Do you claim that BeneFirst was a fiduciary for purposes of ERISA with respect to the Plan for any given year identified in your response to interrogatory number 4? If so, please state:

- a. the year or years;
- b. the aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary;
- c. the damages you allegedly suffered as a result; and
- d. the factual basis for these assertions.

Answer No. 13

Yes.

- a. 2001 - 2004.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Answer to Interrogatory No. 5.
- d. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 13

Yes.

- a. 2001 - 2004.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10 and 17 and Exhibits I -III.
- d. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10 and 17 and Exhibits I -III.

Interrogatory No. 14

Do you claim that BeneFirst had discretionary authority with respect to the Plan or any aspect of it for any given year identified in your response to interrogatory number 4? If so, please state:

- a. the year or years;
- b. the aspects of the Plan's management, operation or administration for which BeneFirst exercised discretionary authority;

- c. the damages you allegedly suffered as a result; and
- d. the factual basis for these assertions.

Answer No. 14

Yes.

- a. 2001 - 2004.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Answer to Interrogatory No. 5.
- d. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 14

Yes.

- a. 2001 - 2004.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10 and 17 and Exhibits I -III.
- d. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10 and 17 and Exhibits I -III.

Interrogatory No. 15

Do you claim that BeneFirst committed breaches of fiduciary duty with respect to the Plan for the given year identified in your response to interrogatory number 4? If so, please state:

- a. the year or years;
- b. the exact acts by BeneFirst which constituted such breaches;

- c. the damages you allegedly suffered as a result; and
- d. the factual basis for these assertions.

Answer No. 15

Yes.

- a. 2001 - 2004.
- b. BeneFirst breached its fiduciary duty to Plaintiff by improperly performing its responsibilities as Third Party Administrator and erroneously paying claims as more specifically described in Plaintiff's Answer to Interrogatory No. 5.
- c. Please refer to Plaintiff's Answer to Interrogatory No. 5.
- d. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further breaches of fiduciary duty and/or other damages suffered as a result of BeneFirst, LLC's breaches of fiduciary duty in connection with its administration of the above-referenced Plans.

Supplemental Answer No. 15

Yes.

- a. 2001 - 2004.
- b. BeneFirst breached its fiduciary duty to Plaintiff by improperly performing its responsibilities as Third Party Administrator and failing to investigate and/or erroneously paying claims as more specifically described in Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9.
- c. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10 and 17 and Exhibits I -III.
- d. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-10 and 17 and Exhibits I -III.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further breaches of fiduciary duty and/or other damages suffered as a result of BeneFirst, LLC's breaches of fiduciary duty in connection with its administration of the above-referenced Plans.

Interrogatory No. 16

How and when did you first discover the acts, errors, or omissions previously discussed in your answers to the preceding interrogatories?

Answer No. 16

Plaintiff first discovered BeneFirst, LLC's acts, errors, and/or omissions after receiving a report from Plaintiff's excess insurance carrier on or about April 22, 2005.

Interrogatory No. 17

For each category of acts, errors or omissions you have discussed in your response to any of the preceding interrogatories, state the damages you claim to have sustained, and describe the method or basis used to calculate your damages.

Answer No. 17

Please refer to Plaintiff's Answer to Interrogatory No. 5. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further damages suffered as a result of BeneFirst, LLC's errors and omissions in connection with its administration of the above-referenced Plans.

Supplemental Answer No. 17

OBJECTION: Plaintiff objects to this Interrogatory on the grounds that BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of Plaintiff's employees' claims for which BeneFirst, LLC has failed to provide supporting records, which includes "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication.

In addition, pursuant to Section I(B)(3) of the Agreement, BeneFirst, LLC was obligated to maintain all claims records for two years from the date of termination of the Agreement. The Agreement was terminated on or about December 31, 2004. Plaintiff's Complaint was filed less than one year later, on or about September 12, 2005. BeneFirst, LLC was contractually obligated to maintain all claims records and failed to do so. Further, once BeneFirst, LLC was aware of the likelihood of litigation, it was obligated to maintain all claims records and refrain from destroying them. Plaintiff reserves the right to move the Court for sanctions against BeneFirst, LLC for its clear spoliation of evidence. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and Exhibits I-III. Notwithstanding the woefully insufficient documentation produced by BeneFirst, LLC and the limited audit sample, to date Plaintiff has determined that BeneFirst, LLC has overpaid or underpaid claims totaling \$330,532.58; BeneFirst, LLC has insufficiently investigated and thus improperly adjudicated claims totaling \$827,078.07; and has undocumented claims totaling

\$2,555,922.38.²

Further, Plaintiff's position is that based on a statistically sound extrapolation of the value of errors reflected in Exhibits I and II³ against the total amount of claims paid in the audit population, BeneFirst, LLC's claim errors total \$7,989,415.69. This amount was arrived at by adding together the total values of Payment Errors, Procedural Errors and Undocumented Claims, subtracting that amount from the total dollar amount of claim payments audited, dividing that amount by the total dollar amount of claim payments audited, subtracting that amount from 100% and multiplying that figure by the total dollars paid for the audit population.

Each documented claim transaction which was subject to Plaintiff's audit was examined to determine adjudication accuracy, including the following: 1) Claimant eligibility verification; 2) Detection of duplicate claim payments; 3) Verification of creditable coverage or application of preexisting conditions limitations, if applicable; 4) Recognition of negotiated provider discounts; 5) Detection of other insurance coverage; 6) Application of coordination of benefits provisions; 7) Application of Plan design provisions; 8) Calculation of benefit payments amounts; and 9) Completeness of file documentation and information to process claims.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further damages suffered as a result of BeneFirst, LLC's errors and omissions in connection with its administration of the above-referenced Plans.

Interrogatory No. 18

Identify your stop loss insurers for the Plan from 5 years before the first plan year that you identified as a response to Interrogatory #4 up to the present, and for each policy year, identify the applicable premium rate, the number of employee and family units covered, and any applicable

² These totals combine the Procedural and Payment Claim Errors reflected in Exhibits I - III.

³ Exhibits I and II reflect the results of Plaintiff's audit conducted in September/October, 2007 which was based on BeneFirst, LLC's incomplete document production.

aggregate factors that applied on a per employee or per family basis.

Answer No. 18

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is overly broad, unduly burdensome and vague. Plaintiff further objects to the term “applicable aggregate factors,” which is vague and undefined. Plaintiff will limit its Answer to plan years at issue in this action. Notwithstanding and without waiving the foregoing objections, Plaintiff states the following:

For the policy year 2001-2002 the stop loss insurer was BCS Underwriters. The annual premium for the Specific Excess Loss was \$116,412.00. It covered 175 single and 324 family units. The aggregate factor was \$381.88.

For the policy year 2002-2003 the stop loss insurer was Combined Insurance Company of America. The aggregate premium rate payable per covered participant unit per month was \$3.98 and the specific monthly premium rates payable per covered participant unit for the coverage period was \$10.31 (single) and \$24.07 (family). It covered 155 single and 320 family units.

For the policy year 2003-2004 the stop loss insurer was Combined Insurance Company of America. The aggregate premium rate payable per covered participant unit per month was \$3.72 and the specific monthly premium rates payable per covered participant unit for the coverage period was \$8.13 (single) and \$19.88 (family). It covered 168 single and 311 family units.

For the policy year 2004-2005 the stop loss insurer was Starline USA, LLC the Issuing Carrier was Underwriters at Lloyd's of London. The annual premium was \$181,217.00. Total aggregate factors were \$495.00 (single) and \$1,248.00 (family). It covered 159 single and 304 family units.

In further response to this Interrogatory, Plaintiff refers to insurance materials produced pursuant to Fed.R.Civ.P. 33(d).

Interrogatory No. 19

Have you ever had any communications with any representative of BeneFirst regarding any of the acts, omissions, or errors identified in any of your answers to the foregoing interrogatories? If so, please identify when the conversation occurred, how it took place (i.e. telephone, e-mail, mail, face to face, etc.), who the parties to the conversation were, and the substance of the conversation.

Answer No. 19

No.

Interrogatory No. 20

Please state what actions have been taken by you to mitigate the damage sought by you in this lawsuit, the date any such actions were taken, and the results of said action.

Answer No. 20

Plaintiff changed its Third Party Administrator.

Interrogatory No. 21

Was there a broker for your account with BeneFirst and if so, identify the broker(s).

Answer No. 21

Charles S. Lord of the Chittenden Insurance Group.

Interrogatory No. 22

Who was the broker for your account(s) with the stop loss insurers identified in your Answer to the preceding interrogatories.

Answer No. 22

Charles S. Lord of Chittenden Insurance Group.

Interrogatory No. 23

Do you claim to be entitled to payment of your attorney's fees in connection with this matter? If so, state the amount of attorney's fees you have incurred to date and state the basis for

your claim of attorney's fees.

Answer No. 23

Yes. Plaintiff is entitled to attorney's fees under ERISA, 29 U.S.C. § 1001 *et seq.* Plaintiff reserves the right to supplement this Answer in the future.

Interrogatory No. 24

Please identify what documents you received from BeneFirst before, during and after BeneFirst's tenure with the Plan, and who presently has custody of them.

Answer No. 24

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is overly broad, vague and unduly burdensome. Notwithstanding and without waiving the foregoing objections, Plaintiff states that all documents provided to Plaintiff by BeneFirst, LLC, to the extent that they exist, are in Plaintiff's possession.

Interrogatory No. 25

Do you claim that you were a fiduciary for purposes of ERISA for any given year identified in your response to interrogatory number 4? If so, please state the year or years you were a fiduciary and the factual basis for your assertion.

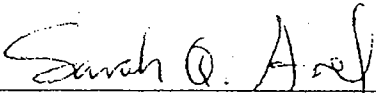
Answer No. 25

No.

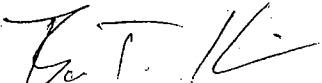
Supplemental Answer No. 25

W.E. Aubuchon Co., Inc. was a "named fiduciary" under the Medical Summary Plan Description for the years 2001-2004.

Signed under the pains and penalties of perjury this 14 day of November, 2007.


Sarah Q. Arel, Benefits Manager,
W.E. Aubuchon Co., Inc.

AS TO OBJECTIONS:



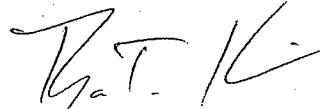
Louis M. Ciavarra (BBO#546481)
Ryan T. Killman (BBO#654562)
Colleen E. Cushing (BBO# 663498)
Bowditch & Dewey, LLP
311 Main Street
P.O. Box 15156
Worcester, MA 01615-0156
Telephone: (508) 926-3408
Facsimile: (508) 929-3011

Dated: November 14, 2007

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of November, 2007 I served the foregoing document by mailing a copy of same, first class, postage prepaid, to:

Stephen D. Rosenberg, Esq.
Eric L. Brodie, Esq.
The McCormack Firm, LLC
One International Place, 7th Floor
Boston, MA 021010



Ryan T. Killman

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EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Agate, Michael	104681445	Lisa	40101713-01	9/29/2004	\$ 7,618.01
			40107749-01	9/29/2004	\$ 4,000.00
			40091204-01	7/2/2004	\$ 2,004.95
			40107747-01	9/29/2004	\$ 1,520.00
			10120258-01	8/25/2001	\$ 743.59
			40088428-01	6/16-6/30/04	\$ 975.00
			40107750-01	9/29/2004	\$ 1,000.00
			10138194-01	8/25/2001	\$ 586.00
Agate, Michael	104681445	Self	30010578-01	12/10/2002	\$ 800.00
Aiken, Allen	019509540	Self	20118082-01	9/16/2002	\$ 2,618.00
Aivaliotis, Steven	003487861	Laura	40018017-02	1/26/2004	\$ 1,910.00
Alger, Stephen	016428328	Self	2006946-01	9/5/2002	\$ 592.00
Anastasio, Paul	006605350	Nicolas	40007029-01	11/7/2003	\$ 594.39
Archambeault, Dennis	003406732	Donna	40098079-02	9/17/2004	\$ 3,074.25
			20117685-01	8/14/2002	\$ 1,200.00
			10103541-01	7/9/2001	\$ 626.00
Archambeault, Dennis	003406732	Allison	40020958-01	2/1/2004	\$ 2,446.00
			20120736-01	10/7/2002	\$ 784.80
Archambeault, Dennis	003406732	Self	40061597-01	5/26/2004	\$ 1,911.20
			40061603-01	5/26/2004	\$ 871.00
Archambeault, Dennis	003406732	Andrea	40098713-01	5/20/2004	\$ 700.00
Archambeault, Gerard	001368023	Self	40106229-01	9/15-9/17/04	\$ 2,986.48
			40090030-01	11/19/2003	\$ 2,575.00
			40094361-01	8/17/2004	\$ 1,943.00
			40087088-01	7/13/2004	\$ 1,533.41
			40098080-01	8/17/2004	\$ 1,530.00
			40057717-01	11/19/2003	\$ 1,464.00
			40092541-01	8/17/2004	\$ 1,346.00
			40022421-01	1/17/2004	\$ 990.00
			40061620-01	5/20/2004	\$ 1,165.00
			40087480-01	8/4/2004	\$ 1,165.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40098082-01	9/16/2004	\$ 1,175.00
			40098083-01	9/16/2004	\$ 950.00
			40046916-01	4/9/2004	\$ 995.00
			40098081-01	8/31/2004	\$ 658.00
Archambeault, Gerard	001368023	Patricia	40060284-01	5/7/2004	\$ 1,003.00
Andre, Arel	003544806	Self	40081171-01	7/29/2004	\$ 1,304.00
			20103848-01	8/27/2007	\$ 827.00
Andre, Arel	003544806	Sarah	40094967-01	8/17/2004	\$1,175.00
Andre, Arel	025363234	Sawyer	20115001-02	8/26/2002	\$898.00
			20114997-01	8/26/2002	\$3,850.00
			20115001-01	8/26/2002	\$1,552.00
Armitage, William	147383106	Shirley	40101722-01	9/30/2004	\$578.00
Ashley, Wayne	009387299	Self	40086494-01	7/26/2004	\$2,289.91
			40051678-01	4/2/04-4/30/04	\$1,976.11
			20105147-01	8/22/2002	\$1,782.13
			40105318-01	9/29/2004	\$1,294.00
			40086495-01	7/26/2004	\$1,198.00
			40099919-01	9/29/2004	\$1,148.24
			40012932-01	1/8/2004	\$1,125.00
			20104963-01	8/22/2002	\$527.00
Aubuchon, Daniel	013381491	Susan	20088247-03	7/12/2002	\$ 2,100.00
			20124385-01	7/12/2002	\$ 8,431.15
			20124388-01	7/30/2002	\$ 4,833.31
			20101804-01	7/14/02-7/29/02	\$ 1,024.00
			20004826-01	1/9/2002	\$ 2,520.00
			40098090-01	9/22/2004	\$ 1,374.00
			20104469-01	7/29/02-7/31/02	\$ 1,175.00
			20104472-01	8/23/2002	\$ 1,200.00
			20120004-01	7/17/02-9/30/02	\$ 948.00
			20103555-02	7/30/2002	\$ 600.00
			20110206-01	8/23/2002	\$ 525.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Aubuchon, Donat	003345938	Suzette	20118376-01	9/21/2002	\$ 1,134.00
Aubuchon, Daniel	013381491	Susan	40098089-01	9/22/2004	\$ 1,161.44
Aubuchon, David	24303387	Beverly	40002341-01	12/2/2003	\$ 1,850.00
			30126481-01	11/24/2003	\$ 705.00
Aubuchon, Gerard	017126667	Self	40012498-01	1/15/2004	\$ 500.00
Aubuchon, Lindsey	021628786	Alexander	40046920-01	4/12/2004	\$ 901.00
Aubuchon, Michael	023369201	Self	20120799-01	10/9/2002	\$ 2,050.00
			20027025-01	2/26/2002	\$ 2,550.00
Aubuchon, Michael	023369201	Gloria	10108373-01	8/22/2001	\$ 1,600.00
Aubuchon, Phillip	032368632	Self	20108879-01	3/29/2002	\$ 3,732.95
			20120794-01	3/29/2002	\$ 750.00
Aubuchon, Scott	027682251	Kirsten	30062003-01	5/22/2003	\$ 2,900.00
			30054033-01	4/15/2003	\$ 649.00
Aubuchon, Thomas	017503470	Self	20103888-01	3/20/2002	\$ 1,075.50
			20122789-01	10/24/2002	\$ 1,391.23
			20118087-01	9/19/2002	\$ 1,123.00
			20039024-01	2/7/2002	\$ 903.70
Aubuchon, Thomas	017503470	Patriceia	20078810-01	6/10/2002	\$ 1,950.00
Aubuchon, William	033345935	Karson	30001903-01	12/23/2002	\$ 1,275.85
			40001555-01	12/12/2003	\$ 2,603.00
			30116648-01	10/20/2003	\$ 1,078.00
			30116645-01	10/20/2003	\$ 1,072.00
			40012942-01	12/12/2003	\$ 885.00
Aubuchon, William	033345935	Self	40108662-01	10/27/2004	\$ 1,350.00
Aubuchon, Brittany	019363864	Brittany	40116955-01	11/10/2004	\$ 780.00
Aubuchon, William	015059456	Camille	40007136-01	9/18/2003	\$1,345.00
			20004825-01	1/9/2002	\$2,000.00
			20106270-01	9/5/2002	\$912.00
			30070651-01	6/24/2003	\$1,175.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Aubuchon, William	015059456	Self	20029944-01	1/25/2002	\$4,050.00
			10133759-01	10/25/2001	\$7,275.00
			40007133-01	9/18/2003	\$632.00
			30105434-01	9/26/2003	\$750.00
Aubuchon, Pierre	033223323	Self	30050354-01	4/15/2003	\$ 1,950.00
			30050337-01	4/1/2003	\$ 750.00
			20062660-01	3/14/2002	\$ 3,058.85
Aumand, Patrick	008429685	Ryan	20074792-01	1/24/2002	\$ 1,042.50
			20074794-01	4/2/2002	\$ 1,042.50
Aumand, Patrick	008429685	Tara	10121073-01	10/5/2001	\$ 960.00
Aumand, Patrick	008429685	Patrick	40033500-02	3/18/2004	\$ 676.87
	008429685		40111905-01	11/1/2004	\$ 584.79
Avery, Tamela	074502519	Carl	10121662-01	7/23/2001	\$ 3,247.92
			10121663-01	7/20/2001	\$ 1,959.55
Avery, Tamela	074502519	Self	30131552-01	9/27/2003	\$ 1,690.30
			40007183-01	12/18/2003	\$ 1,375.00
			40003978-01	12/22/2003	\$ 569.89
Bacon, Donald	028164971	Jessie	10101402-01	7/17/2001	\$4,600.00
			10104747-01	7/17/01-7/19/01	\$1,900.00
Bacon, Donald	028164971	Self	20128733-01	11/4/2002	\$1,867.00
			20128044-01	11/8/2002	\$1,044.00
Bairos, Joao	025529026	Patrick	40057760-02	5/10/2004	\$ 968.00
			40057757-02	5/5/2004	\$ 918.00
Bairos, Joao	025529026	Maria	40087598-02	8/3/2004	\$ 1,650.00
			40057755-01	5/3/2004	\$ 632.00
Baker, James	009603842	Self	20068696-01	5/9/02-5/10/02	\$ 12,920.50
Baker, Joseph	005462572	Self	10139190-01	9/24/2001	\$ 3,933.00
			10133542-01	10/5/2001	\$ 1,716.00
			10123363-01	9/7/2001	\$ 997.00
Baker Jr., Gary	008468618	Self	40088948-01	7/15/2004	\$ 1,597.00
Barrett, William	033600977	Self	40108668-01	10/19/2004	\$ 1,452.79

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Barrows, Shannon	009526734	Jennifer	40076994-01	7/13/2004	\$ 1,691.00
			40086850-01	7/27/2004	\$ 976.00
			40083561-01	7/27/2004	\$ 675.00
Basque, Pauline	012348682	Self	20125976-01	11/12/2002	\$ 1,600.00
			20128634-01	11/12/2002	\$ 1,752.00
			20039095-01	2/6/02-2/28/02	\$ 1,079.00
Beauchemin, Donna	020343481	Peter	20074508-01	8/21/2001	\$ 1,130.00
Bedard, Roberta	049661631	Kristin	40068857-01	6/15/2004	\$ 2,880.00
			40062607-01	6/14/04-6/17/04	\$ 28,130.23
			40066842-01	6/11/2004	\$ 732.00
			30084168-01	7/25/2003	\$ 620.00
Bedard, Roberta	049661631	Samuel	30082099-01	6/26/2003	\$ 2,658.00
			20002372-01	9/18/2001	\$ 1,495.00
			20131169-02	11/12/2002	\$ 1,169.00
			20105688-01	9/3/2002	\$ 923.00
			20118084-01	10/1/2002	\$ 834.00
			20074967-01	5/28/2002	\$ 784.00
			20102838-01	8/6/2002	\$ 772.00
Bedard, Samuel	007820809	Self	40111941-01	6/15/2004	\$ 3,000.00
			40087096-01	7/27/2004	\$ 2,429.00
			40083308-01	7/13/2004	\$ 1,328.00
			40083310-01	7/16/2004	\$ 1,242.00
			40088001-01	8/6/2004	\$ 1,219.00
			40079999-01	7/2/2004	\$ 820.00
			40076708-01	7/6/2004	\$ 796.00
			40080002-01	7/9/2004	\$ 796.00
			40083320-01	7/20/2004	\$ 796.00
			40086549-01	7/23/2004	\$ 796.00
			40088004-01	8/10/2004	\$ 796.00
			40090147-01	8/13/2004	\$ 796.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40090149-01	8/17/2004	\$ 796.00
			40094356-01	8/31/2004	\$ 796.00
			40108674-01	7/30/2004	\$ 796.00
			40025615-01	12/23/03-12/24/03	\$ 776.00
			40083311-01	7/16/2004	\$ 735.00
			40051720-01	4/30/2004	\$ 708.00
Bedard, Samuel	007820809	Samuel	4009165401	8/24/2004	\$ 1,346.00
Bellavance, Marc	008420415	Self	40008990-01	1/13/2004	\$ 1,060.00
			40009236-02	1/13/2004	\$ 741.00
Bellavance, Marc	008420415	Joyce	40066847-01	5/18/2004	\$ 5,356.84
Beloin, Gregory	014580694	Kehaulant	20130289-01	10/16/2002	\$ 3,000.00
			30004587-01	11/22/2002	\$ 500.00
Beloin, Gregory	014580694	Jaime	40100864-01	10/14/04-10/15/04	\$ 6,063.71
			20125032-01	10/16/02-10/19/02	\$ 2,250.54
Bergeron, Andrew	008504811	Self	20128168-01	10/22/2002	\$ 1,780.00
			20119671-01	10/3/2002	\$ 1,397.90
			20116417-01	10/3/2002	\$ 1,000.00
			20121443-01	10/3/2002	\$ 525.00
Berlo, Eric	026509910	Trevor	40098096-01	9/23/2004	\$ 1,280.00
			40101823-02	9/23/2004	\$ 550.00
Beroney, Kenny	002566995	Mitchell	20118518-01	10/2/2002	\$ 664.00
			20104343-01	5/29/2002	\$ 1,983.83
Beroney, Kenny	002566995	Rhonda	40094266-01	9/14/2004	\$ 786.99
Bezanson, Lorraine	028244110	Self	40051725-01	4/27/2004	\$ 1,218.00
			40061657-01	5/6/04-5/25/04	\$ 1,024.00
			40054136-01	4/22/04-4/29/04	\$ 941.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40012994-01	1/14/2004	\$ 642.50
			40072823-01	6/3/04-6/8/04	\$ 548.00
Bezio, Christopher	006661443	Mary	40083348-01	7/17/04-7/18/04	\$ 2,199.50
			40083340-01	5/21/04-5/28/04	\$ 2,023.51
			40083344-01	7/15/04-7/16/04	\$ 912.32
Bezio, Christopher	006661443	Self	40112562-01	11/4/2004	\$ 646.00
Bicknell, Justin	008701394	Self	40000292-01	12/11/2003	\$ 522.90
Bielski, David	029766747	Self	40094210-01	8/31/2004	\$ 1,730.19
Bierly, Naomi	009449989	Dennis	40009259-01	1/13/2004	\$ 1,793.22
			40015544-01	1/21/2004	\$ 673.13
			40014267-01	1/21/2004	\$ 610.00
Bierly, Naomi	009449989	Self	40053935-01	5/3/2004	\$ 760.00
Blodgett, Mark	001405564	Self	40092583-01	8/26/2004	\$ 2,284.85
			40088014-01	8/3/2004	\$ 2,243.32
			40007206-01	12/26/2003	\$ 1,427.00
			40072832-01	6/16/2004	\$ 1,471.00
			40007208-01	12/31/2003	\$ 959.84
			40083367-01	6/15/2004	\$ 769.00
Blood, Elizabeth	024547760	Self	40107821-01	10/21/2004	\$ 797.00
			40116675-01	8/20/2004	\$ 880.00
Boucher, Dennis	032368751	Self	40026697-01	1/27/2004	\$ 4,169.00
			40018139-01	1/27/2004	\$ 1,507.00
			40094389-01	8/31/2004	\$ 903.00
Boucher, Dennis	032368751	Maria	40000183-01	11/26/2003	\$ 7,565.61
			40088019-02	8/2/2004	\$ 7,819.75
			40072839-01	6/22/2004	\$ 1,350.00
			40087637-02	8/2/2004	\$ 680.00
			30110767-01	10/9/2003	\$ 825.00
Boudreau, Pierre	008449730	Patricia	40008962-01	10/7/2003	\$ 672.00
Rever, James	096585841	Zachary	40111451-01	11/17/2004	\$ 1,005.15

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Braden, Arnold	005443804	Self	40076753-01	7/9/2004	\$ 2,200.00
			40083377-01	4/4/2004	\$ 1,404.50
			40080016-01	7/9/2004	\$ 1,254.00
Bradley, Dennis	383963782	Hannah	10137231-01	6/9/01-6/14/01	\$ 17,135.19
			10138220-01	8/16/2001	\$ 760.00
Bradley, Dennis	383963782	Self	40043443-01	4/2/2004	\$ 725.00
Bradley, Dennis	383963782	Carrie	40006225-01	12/22/2003	\$ 775.15
			40007403-01	12/30/2003	\$ 584.05
			20051839-01	3/6/2002	\$ 585.00
Brea, Leo	556277217	Self	20038343-01	1/16/2002	\$ 1,050.75
Brochu, Gary	009464305	Janine	40116966-01	11/19/2004	\$ 645.00
Brown, Kelly	009700903	Self	40029278-01	3/2/2004	\$ 981.45
			40088033-01	8/12/2004	\$ 683.59
			40094720-01	9/12/04-9/13/04	\$ 610.55
			40094370-01	9/11/2004	\$ 544.51
Bryant, Jeffrey	032646418	Julia	30033519-01	4/1/2003	\$ 1,025.00
			20118475-01	10/3/2002	\$ 995.00
			20115304-01	9/6/2002	\$ 800.00
Bryant, Jeffrey	032646418	Self	40010500-01	12/26/2003	\$ 888.00
Bryson, Ronnie	002603643	Self	40076763-01	7/1/2004	\$ 572.55
Buckner, Marlow	020860582	Kristen	40013143-01	1/16/2004	\$ 662.00
Bulger, Mary	001381349	Self	30054117-02	4/24/2003	\$ 872.00
Burgoyne, Raymond	0032637323	Self	30101582-02	8/18/03-9/20/03	\$ 104,379.88
			30090959-01	6/18/03-6/30/03	\$ 78,363.89
			30090959-03	7/1/03-8/17/03	\$ 165,000.00
			30090959-02	6/18/03-6/30/03	\$ 44,037.52
			30090959-04	7/1/03-8/17/03	\$ 34,096.30
			30090959-08	6/18/03-6/30/03	\$ 38,061.61
			30090959-07	7/1/03-8/17/03	\$ 30,673.35
			30116262-02	9/17/03-10/15/03	\$ 28,439.10
			30090959-10	6/18/03-6/30/03	\$ 17,353.71

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			30090959-05	7/1/03-8/17/03	\$ 3,933.50
			30082578-01	7/3/03-7/27/03	\$ 2,805.00
			30071422-01	6/13/2003	\$ 1,450.00
			30102284-01	8/30/03-9/16/03	\$ 1,595.00
			40009271-01	11/1/03-11/30/03	\$ 1,360.00
			30071019-01	6/20/03-6/27/03	\$ 1,500.00
			30092342-01	7/28/03-8/8/03	\$ 1,320.00
			40009280-01	12/9/2003	\$ 1,007.00
			30009760-01	11/27/2002	\$ 1,059.00
			30094424-01	7/22/2003	\$ 1,568.80
			20074973-01	5/15/2002	\$ 799.30
			40004019-01	11/12/2003	\$ 782.00
			40057838-01	5/5/2004	\$ 782.00
			30094428-01	8/16/03-8/22/03	\$ 880.00
			40021067-10	1/9/2004	\$ 674.00
			30094440-01	8/23/03-8/29/03	\$ 880.00
			30092365-01	8/9/03-8/15/03	\$ 770.00
Burns, Kristi	022563525	Self	20023402-01	1/13/2002	\$ 2,351.89
			40057846-02	5/11/2004	\$ 1,210.00
			40099955-01	9/20/2004	\$ 1,138.80
			40057844-02	5/11/2004	\$ 965.00
Butland, Dale	023408251	Susan	40087537-01	8/10/2004	\$ 1,238.88
			40021092-01	2/6/2004	\$ 1,133.30
			40066871-01	6/11/2004	\$ 695.35
Cahoon, Deborah	003421295	Timothy	20079618-01	6/11/2002	\$ 2,204.94
			40116109-01	12/8/2004	\$ 802.00
Cannon, Michael	015663654	Beth	40049437-01	4/9/2004	\$ 2,909.73
			40049471-01	4/9/2004	\$ 2,070.00
Canual, Robert	018548814	Self	40057851-01	4/28/2004	\$ 930.80
			40015564-01	1/12/2004	\$ 1,650.00
Carlson, Richard	002527879	Candy	20106921-01	8/19/2002	\$ 1,859.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20105518-01	8/19/2002	\$ 1,621.93
Carlson, Richard	002527879	Stacey	40049491-01	4/27/04-4/28/04	\$ 850.42
Case, Roger	073602295	Self	20102031-01	7/19/2002	\$ 731.17
			40083411-01	7/30/2004	\$ 750.00
			40054161-01	5/13/2004	\$ 700.00
Cashin, William	034321392	Eileen	20120618-01	10/15/2002	\$ 1,230.00
Chabot, Roger	007764135	Self	40069812-01	6/11/2004	\$ 2,126.00
			40069813-01	6/11/2004	\$ 973.00
Chamberlain, Carol	002304552	Self	20120467-01	10/11/2002	\$ 1,049.25
			20110757-01	10/11/2002	\$ 710.00
Chamberlain, Marcel	002265924	Self	10103096-01	7/28/01-8/1/01	\$ 61,739.93
			40099981-01	6/23/2004	\$ 2,323.80
			40023665-01	2/17/2004	\$ 1,625.00
			20026926-01	9/23/2001	\$ 505.55
Chamberlain, Nancy	008429649	Self	20074977-01	5/20/2002	\$ 1,912.95
			20106066-01	9/6/2002	\$ 1,717.07
			20074978-01	5/21/2002	\$ 592.00
Chartier, John	055329429	Self	40029331-01	12/3/2003	\$ 3,000.00
			20008272-01	1/4/2002	\$ 1,395.68
			40029326-01	11/17/03-11/20/03	\$ 1,150.00
			40005739-01	12/3/03-12/19/03	\$ 902.50
			40029327-01	11/20/2003	\$ 1,000.00
			40029332-01	12/5/2003	\$ 850.00
			40029335-01	12/12/03-12/17/03	\$ 850.00
			40007588-01	12/23/03-12/24/03	\$ 850.00
			40029324-01	11/20/03-11/26/03	\$ 850.00
			40029329-01	11/28/03-12/4/03	\$ 850.00
			40049689-01	11/19/2003	\$ 539.00
Chauvin, Richard	033382809	Self	20104111-01	7/30/2002	\$ 2,220.00
			30006092-01	7/9/2002	\$ 1,440.00
			20105616-01	8/26/02-8/28/02	\$ 1,605.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20105998-01	7/25/2002	\$ 11,114.46
			20116488-01	8/28/2002	\$ 1,050.00
			20108369-01	7/31/02-8/14/02	\$ 900.00
			20116775-01	7/19/02-7/31/02	\$ 780.00
			20108367-01	7/31/02-8/2/02	\$ 585.60
			20117048-01	7/9/2002	\$ 1,509.85
			20103922-01	8/25/2002	\$ 522.61
Cheney, Phillip	022329302	Elizabeth	30061997-01	5/15/2003	\$ 2,947.00
			30050108-01	4/30/2003	\$ 1,217.00
Cheney, Phillip	022329302	Self	20002699-01	12/6/2001	\$ 1,545.00
			20004804-01	1/7/2002	\$ 1,950.00
Clark, Donald	014368897	Jane	40087344-02	8/3/2004	\$ 2,190.00
			40099990-01	10/1/2004	\$ 1,656.00
			40090173-02	8/3/2004	\$ 560.00
Clayton, Jason	231084505	Constance	30031103-01	2/12/03-2/13/03	\$ 1,568.92
Clayton, Jason	231084505	Self	10145257-01	11/27/2001	\$ 800.00
Companion, Susan	008523777	Self	40114264-01	11/17/2004	\$ 631.75
			40101892-01	10/7/2004	\$ 545.00
Corey, Erika	058622424	Emma	40090970-01	5/27/03-12/17/03	\$ 1,520.00
Craker, Peggy	455720740	Self	40005461-01	1/6/2004	\$ 4,053.79
			40099653-01	8/16/2004	\$ 1,380.00
			40014685-02	1/30/04-2/2/04	\$ 1,027.94
			40088065-01	8/16/2004	\$ 1,000.00
			40013104-01	1/6/2004	\$ 958.00
			40018172-01	1/23/2004	\$ 616.00
Crammond, Gary	075381957	Gary	10120236-01	7/25/2001	\$ 688.16
Currin, Stephen	312621090	Self	40018193-01	1/12/2004	\$ 1,484.66
			40007273-01	12/23/2003	\$ 1,041.30
			40018194-01	1/12/2004	\$ 1,350.00
Currin, Stephen	312621090	Anne Marie	40018180-02	1/22/2004	\$ 1,197.55
Currin, Stephen	312621090	Self	40108030-01	10/26/2004	\$ 1,000.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Dahlberg, Eric	008460014	Self	40100001-01	9/24/2004	\$ 2,131.00
			40080091-01	7/7/2004	\$ 755.00
			40111474-01	11/5/2004	\$ 500.00
Dahlberg, Eric	008460014	Amanda	20104824-01	7/10/2002	\$ 1,583.56
Dahlberg, Eric	008460014	Daniel	10109548-01	8/21/2001	\$ 1,650.00
Dailey, Alicia	009629575	Mark	20038916-01	1/4/2002	\$ 2,701.94
			40108347-01	10/6/04-11/9/04	\$ 1,005.00
Dailey, Alicia	009629575	Cory	20068555-01	5/21/2002	\$ 1,520.00
Dailey, Alicia	009629575	Self	40096580-01	8/3/04-9/28/04	\$ 740.00
Daly, Richard	157369360	Self	40092643-01	8/24/2004	\$ 2,817.00
Daly, Richard	157369360	Mary	40090194-01	6/3/2004	\$ 983.25
			20105685-01	7/22/02-7/23/02	\$ 892.00
Dansereau, Todd	008706340	Hillary	40108785-01	10/28/2004	\$ 552.00
Darby, Wayne	174360913	Self	20017386-01	1/15/2002	\$ 1,696.00
Dargirda, Thomas	008483480	Self	40078741-01	5/22/2004	\$ 812.70
Davis, David	258868992	Jaime	40008509-01	12/10/2003	\$ 4,425.00
Davis, David	258868992	Self	40087095-01	7/30/2004	\$ 1,576.00
			40069829-01	6/15/2004	\$ 795.02
Davis, David	258868992	Josiah	40071950-01	6/30/2004	\$ 2,090.00
Davis, David	258868992	Julie	40111864-01	11/1/2004	\$ 900.00
			40096286-01	9/8/2004	\$ 729.00
Davis, David	258868992	Joshua	40115257-01	11/11/2004	\$ 774.65
Deberadinis, Kenneth	018467864	Debra	10121386-01	7/11/2001	\$ 5,006.48
			10102388-01	7/11/2001	\$ 5,470.00
Decker, Ginger	007546635	Self	40044465-02	4/8/2004	\$ 1,300.00
Decoster, Mechelle	016645976	Self	30052189-02	4/14/03-4/15/03	\$ 977.38
Disilits, Raymond	001386202	Self	40044466-01	4/5/2004	\$ 1,029.41
Dipace, Tricia	013708849	Self	40001629-01	12/25/2003	\$ 2,500.00
Dipace, Tricia	013708849	Joshua	40009460-01	12/25/03-12/27/03	\$ 2,567.53
Donaldson, Jeffrey	069625060	Heather	40102094-02	9/14/2004	\$ 1,039.73
Downie, Dana	021626013	Self	10108270-01	8/13/2001	\$ 1,153.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Downs-Will, Bridget	260271908	Self	20031776-01	1/10/2002	\$ 900.00
			20059563-01	3/4/2002	\$ 1,235.50
Doyle, Florence	009500618	Self	20109620-01	9/12/2002	\$ 808.72
			20112185-01	9/12/2002	\$ 925.00
Doyle, Florence	009500618	Edward	40049721-01	4/28/2004	\$ 622.00
Doyon, Donald	008405989	Jamie	20093306-01	7/12/2002	\$ 946.00
Driscoll, Carl	20065180	Self	20065180-01	5/24/2002	\$ 1,735.00
Drummond, William	014525854	Self	40113659-01	11/13/2004	\$ 1,757.80
Dubuque, Michael	008709655	Kary	40114281-01	10/28/2004	\$ 1,818.00
			40061061-01	5/27/2004	\$ 1,016.00
			40111484-01	10/31/2004	\$ 675.00
Dubuque, Michael	008709655	Adam	40111919-01	10/31/04-11/1/04	\$ 865.51
Duell, Stephen	076441337	Self	40080132-01	6/25/2004	\$ 644.53
Dufort, Marilyn	029365043	Self	40060239-01	5/25/2004	\$ 1,079.00
an, Dana	008548687	Kevin	10108262-01	8/10/2001	\$ 1,172.00
Dunn, Dana	008548687	Kathleen	40069869-01	4/21/2004	\$ 2,189.19
Durand, Anthony	028323977	Self	20039127-01	2/20/02-2/22/02	\$ 2,507.50
			20039086-01	2/16/2002	\$ 1,549.75
			20124958-01	10/28/2002	\$ 868.00
Durham, Jason	155624125	Self	20127631-01	10/21/2002	\$ 2,362.25
			10105366-01	7/12/01-7/13/01	\$ 1,914.30
			10112035-01	7/25/2001	\$ 971.00
			10105143-01	7/10/2001	\$ 961.00
			40091954-01	8/30/2004	\$ 857.50
			10113348-01	7/23/2001	\$ 584.00
			10105454-01	7/20/2001	\$ 565.00
Durkin, Kathleen	030302964	Self	20105428-01	8/19/2002	\$ 2,555.25
			20106127-01	7/25/2002	\$ 2,168.00
			40044506-01	3/8/2004	\$ 1,890.93
			40031139-01	2/6/2004	\$ 1,571.47
			20109759-01	8/19/2002	\$ 1,450.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20106116-01	4/9/2002	\$ 867.00
			20109702-01	7/25/2002	\$ 900.00
			20026848-01	12/31/2001	\$ 827.00
Duso, Linda	059427015	Self	10120231-01	7/19/2001	\$ 617.33
Duso, Bernard	078662855	Erika	40004029-01	12/22/2003	\$ 1,650.99
			40000186-01	12/6/2003	\$ 1,588.15
			40064977-01	5/26/2004	\$ 1,478.00
			20052946-01	1/24/02-1/25/02	\$ 1,365.20
			40054182-01	5/7/2004	\$ 1,125.00
			40007596-01	12/6/2003	\$ 1,092.00
			40111794-01	10/21/2004	\$ 1,131.34
			30115793-01	10/14/2003	\$ 1,069.00
			40054183-01	5/7/2004	\$ 1,540.00
			40088481-01	5/5/2004	\$ 895.39
			30129888-01	11/24/03-11/25/03	\$ 2,118.00
			40001528-01	11/24/03-11/26/03	\$ 905.00
			40067516-01	6/7/2004	\$ 579.77
Duso, Bernard	078662855	Julia	20121456-01	7/11/2002	\$ 1,208.31
			40092663-02	7/20/2004	\$ 762.40
Duso, Bernard	078662855	Self	30082571-01	7/21/2003	\$ 725.00
Eastman, Robert	144442179	Darlene	20038972-01	2/7/2002	\$ 2,793.21
Eaton, Robert	010526432	Self	20025643-01	2/20/2002	\$ 3,293.20
			40067442-02	5/19/2004	\$ 4,000.00
			40067442-01	5/19/2004	\$ 4,000.00
			40060492-01	5/19/2004	\$ 1,507.00
Eaton, Robert	010526432	Elizabeth	40087297-01	7/30/2004	\$ 3,000.00
			40078318-01	7/30/04-8/1/04	\$ 4,797.56
			40029432-01	2/20/2004	\$ 715.00
Ecker, Harry	043361286	Self	40001779-01	12/8/2003	\$ 1,601.00
Ecker, Harry	043361286	Robert	40000339-01	12/8/2003	\$ 1,586.00
Ellis, Steven	026502133	Kathryn	40009467-02	12/2/03-12/31/03	\$ 2,117.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40057889-02	5/7/2004	\$ 1,171.00
			40069939-01	6/14/2004	\$ 954.00
			40061935-01	5/14/2004	\$ 674.00
			40113784-01	11/4/2004	\$ 674.00
Ellis, Steven	026502133	Courtney	20115394-01	9/9/2002	\$ 5,165.00
Ellsworth, Jeffrey	019461996	Karen	40111493-01	11/12/2004	\$ 3,018.00
			40098808-02	8/18/2004	\$ 2,167.00
			40115303-01	11/16/04-11/23/04	\$ 1,221.44
			40111490-01	11/12/2004	\$ 1,327.11
			40116153-01	11/13/2004	\$ 1,010.00
Ewertz, Deborah	525132745	David	40088945-01	1/12/2004	\$ 1,270.12
			40060050-01	1/12/2004	\$ 800.00
Feldmus, Aaron	006689109	Chelsey	40044520-01	4/5/2004	\$ 881.00
Feldmus, Aaron	006689109	Felicia	40088499-01	8/6/2004	\$ 550.00
Ferland, Cynthia	008506725	Self	40114289-01	11/14/2004	\$ 2,068.76
			10123446-01	10/2/2001	\$ 1,120.00
			40115312-01	11/18/2004	\$ 607.00
			40114288-01	11/14/2004	\$ 503.00
Fillo, Joseph	048486181	Self	40116170-01	11/30/2004	\$ 988.00
Firda, Thomas	016648757	Self	40077929-01	7/8/2004	\$ 1,650.00
			40099562-01	8/10/2004	\$ 1,040.00
Flagg, Donna	141628392	Self	40004042-01	11/18/2003	\$ 1,223.74
			40054235-01	4/25/2004	\$ 902.00
			40064990-01	4/25/2004	\$ 527.00
Fletcher, Rosalie	008586909	Self	40049744-01	2/19/2004	\$ 581.34
Florence, Tricia	503045563	Teagan	20116341-01	9/25/2002	\$ 1,161.21
Florence, Tricia	503045563	Self	20008939-01	7/20/2001	\$ 1,068.10
			20008938-01	7/20/2001	\$ 698.00
Florence, Tricia	503045563	Taylor	40029438-01	2/22/2004	\$ 748.71
Forrest, Chad	136584483	Chad	20104030-01	10/11/2001	\$ 1,208.00
			40096690-02	9/4/2004	\$ 736.00

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W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20104026-01	10/11/2001	\$ 512.00
Forrest, Chad	136584483	Jasmyne	20104045-01	1/22/2002	\$ 730.00
Fox, Melissa	535047996	Self	40116173-01	11/29/2004	\$ 1,245.00
			40096293-01	9/14/2004	\$ 1,650.00
Fredrette, Ronald	009461417	Joshua	40015755-01	1/2/04-1/3/04	\$ 1,494.46
Furst, Daniel	006721188	Self	20106105-01	7/26/2002	\$ 1,971.23
Furst, Daniel	006721188	Jeremy	30069920-01	6/19/2003	\$ 815.00
Furst, Daniel	006721188	Jeffrey	40092677-02	8/16/2004	\$ 640.50
			20121610-01	9/12/2002	\$ 1,160.00
Furst, Daniel	006721188	Diane	40115327-01	11/10/2004	\$ 583.18
Gagne, Brian	022525330	Rebecca	10103546-01	7/20/01-7/21/01	\$ 2,001.56
Gagne, Brian	022525330	Charlene	40083463-01	7/19/2004	\$ 950.00
Gahan, Nancy	888100132	Self	40061065-01	5/21/2004	\$ 2,094.00
			40092686-01	8/26/2004	\$ 1,045.00
			40070768-01	6/17/2004	\$ 751.00
Gahan, Nancy	888100132	Philip	40086659-02	7/21/2004	\$ 1,132.26
Gates, Josiah	009688422	Self	40042349-02	3/27/2004	\$ 687.02
Giammolvo, Scott	025686700	Amy	20127643-01	11/6/02-11/7/02	\$ 1,354.80
Gillis, Thomas	004703588	Ashley	20121449-01	10/10/2002	\$ 1,399.26
			40096697-01	9/17/2004	\$ 1,560.00
Gillis, Thomas	004703588	Brenda	40018495-01	1/23/2004	\$ 1,100.00
Gillis, Thomas	004703588	Megan	40096577-01	5/23/2004	\$ 966.16
Ginn, Jeffrey	002384306	Self	40072928-01	6/12/2004	\$ 1,005.43
			40070772-01	6/10/2004	\$ 942.00
			40067545-01	6/10/2004	\$ 620.00
Goldsmith, Donald	006560212	Lori	40061955-01	3/23/2004	\$ 774.40
Goodfield, Robert	032366479	Self	20107229-01	8/21/2002	\$ 755.00
Goudreau, Andrew	009325847	Judy	20124904-01	10/14/2002	\$ 1,310.10
			20121441-01	10/14/2002	\$ 685.00
Goodreau, Jacques	009425140	Doreen	40083494-01	7/22/2004	\$ 754.00
Goodreau, Jacques	009425140	Self	10105175-01	7/14/2001	\$ 875.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Graffam, Robert	007521183	Self	40091910-02	7/14/04-8/19/04	\$ 949.00
Grant, Alan	030606810	Sarah	40063720-01	4/30/04-5/4/04	\$ 2,940.00
Grant, Alan	030606810	Rhea	40047182-01	4/8/04-4/9/04	\$ 1,940.15
			40052514-01	4/30/2004	\$ 962.00
			40054272-01	4/27/2004	\$ 679.40
Gregory, Michael	001546023	Self	40087063-01	8/6/2004	\$ 2,151.74
			40095620-01	8/6/2004	\$ 900.00
Grytebust, Albert	130620640	Stephanie	40077940-01	7/13/2004	\$ 2,100.00
			40080158-01	7/13/2004	\$ 2,050.90
			40057923-01	5/10/2004	\$ 1,874.27
Haile, Nick	009561010	Benjamin	40023969-01	2/3/2004	\$ 1,241.71
			40023970-01	2/4/2004	\$ 601.71
Haines, Jason	007702700	Kirsten	40116027-01	12/12/2003	\$ 797.00
Haley, Reginald	008345689	Sharon	40100533-01	9/14/2004	\$ 524.28
Il, Richard	027463081	Self	20105157-01	8/21/2002	\$ 930.00
			20102037-01	7/8/2002	\$ 1,078.00
			20105154-01	8/21/2002	\$ 631.00
Hannula, Lynn	016585115	Self	40056406-01	6/4/04-6/6/04	\$ 4,917.25
			40067640-01	6/4/2004	\$ 700.00
			40013247-01	12/30/2003	\$ 674.00
Hart, Army	065480247	Self	20038969-01	2/12/2002	\$ 4,665.04
			20059839-01	2/12/2002	\$ 3,485.00
			20023326-01	1/23/2002	\$ 1,763.96
			20038671-01	2/12/2002	\$ 1,040.00
			40111567-01	11/2/2004	\$ 1,172.41
			20004174-01	12/18/2001	\$ 790.18
			20021127-01	2/7/2002	\$ 651.69
Hayward, Helen	008301407	Merlin	20038983-01	2/7/2002	\$ 869.00
Herschel, Chad	008488850	Dekota	40053929-01	5/10/2004	\$ 1,155.00
Herschel, Chad	008488850	Aimee	20009103-01	12/11/2001	\$ 745.00
			40067643-01	6/16/2004	\$ 760.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Herschel, Chad	008488850	Self	40096310-01	9/23/2004	\$ 667.00
			40095617-01	7/14/2004	\$ 696.00
Herschel, Dennis	008549295	Self	40015842-01	3/31/2003	\$ 1,348.00
Hickey, Kristine	022666003	Self	40070798-01	6/12/2004	\$ 950.00
			40070801-01	6/12/04-6/16/04	\$ 950.00
Hoag, Jeffrey	009582680	Rhonda	10097462-01	7/3/2001	\$ 1,936.00
			40001787-01	12/19/2003	\$ 979.28
Hoag, Jeffrey	009582680	Kerri	20015780-01	1/2/2002	\$ 1,587.00
Hodgeman, Gregory	008628196	Kailianne	40090259-01	8/9/2004	\$ 924.00
Hodgeman, Gregory	008628196	Justin	40042608-02	3/28/2004	\$ 837.00
Holland, Keven	003506182	Self	40094251-01	8/24/2004	\$ 1,925.46
			40026995-01	2/12/2004	\$ 1,460.68
			40090266-01	8/12/2004	\$ 1,334.39
			40116219-01	12/2/2004	\$ 1,134.00
			40072973-01	6/11/04-6/12/04	\$ 988.17
			40108941-01	10/15/2004	\$ 746.94
			40047209-01	3/31/2004	\$ 612.26
Holland, Keven	003506182	Harley	40044683-01	4/9/2004	\$ 2,099.00
			40073344-01	6/10/04-6/11/04	\$ 1,006.00
			40060518-01	5/14/2004	\$ 882.00
			40067703-01	6/10/2004	\$ 756.00
Holland, Keven	003506182	Debra	40088627-01	5/31/2004	\$ 594.13
Holland, Keven	003506182	Christopher	40088907-02	8/1/2004	\$ 945.91
Holland, Kim	003506182	Self	40013327-01	12/28/03-12/29/03	\$ 949.39
			40076991-01	6/23/2004	\$ 864.48
			40108108-01	10/6/2004	\$ 730.10
Holland, Ralph	259178066	Self	40083559-01	7/20/2004	\$ 1,000.00
Hoover, Amy	027586977	Self	40060276-01	6/12/04-6/18/04	\$ 3,424.17
			40029167-02	1/26/04-3/1/04	\$ 1,164.00
			40070805-01	6/10/2004	\$ 757.00
Hough, Richard	114689246	Self	20115351-01	8/18/2002	\$ 2,297.12

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Undocumented Claims
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Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40073308-01	3/26/2004	\$ 1,426.76
			10120232-01	8/29/2001	\$ 1,145.50
			10123683-01	8/29/2001	\$ 960.00
Hough, Richard	114689246	Joshua	40105463-01	5/31/2004	\$ 621.88
Houle, Carol	013425442	Self	40117013-01	12/15/2004	\$ 1,600.00
			20010843-01	1/15/2002	\$ 863.00
House, Jamey	005729454	Indigo	20118638-01	10/4/2002	\$ 681.30
Howell, Ryan	010382236	Alex	30029926-01	2/24/2003	\$ 4,150.00
Hudson, Joshua	052705851	Self	20071827-01	6/19/2002	\$ 1,075.00
Hughes, Bryan	011641822	Self	20007746-01	1/15/2002	\$ 1,030.00
Inburg, William	074689738	Self	20124943-01	6/10/2002	\$ 1,114.20
Jackson, Gregory	072684550	Self	20118262-01	10/8/2002	\$ 1,825.00
			20112219-01	1/23/2002	\$ 1,730.00
			20002627-01	11/12/2001	\$ 1,404.00
kson, Lisa	008566106	Self	20103817-01	7/1/02-7/16/02	\$ 607.50
Jankowski, Matthew	187344590	Self	10114149-01	9/17/2001	\$ 700.00
Johnson, Kenneth	007501866	Self	40001991-01	11/26/2003	\$ 1,905.00
			40004194-01	12/17/2003	\$ 1,426.00
			40007419-01	12/17/2003	\$ 3,734.00
			40001994-01	11/26/2003	\$ 922.00
			40007424-01	12/17/2003	\$ 1,867.00
Johnson, Stephanie	025561129	Self	40101703-01	10/8/2004	\$ 1,650.00
Joseph, Troy	009420870	Shannon	10113424-01	7/21/01-7/22/01	\$ 6,563.74
			10099490-01	7/21/2001	\$ 2,648.00
			40027001-01	2/2/2004	\$ 2,132.00
			10121340-01	7/31/2001	\$ 1,720.00
			20102071-01	8/14/2002	\$ 1,500.00
			10113472-01	7/21/2001	\$ 770.00
			20105779-01	8/14/2002	\$ 800.00
			40061972-01	5/26/2004	\$ 798.00
			40021318-01	1/20/2004	\$ 687.57

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40029463-01	2/10/2004	\$ 500.00
Joseph, Troy	009420870	Self	20023303-01	1/10/02-1/11/02	\$ 1,855.15
Joseph, Troy	009420870	Abigail	20053719-01	3/3/2002	\$ 815.69
			40000203-01	12/13/2003	\$ 784.50
			20128237-01	11/4/2002	\$ 787.25
Karads, John	009303855	Frances	20013752-01	1/23/2002	\$ 2,350.00
Kassel, Jeffrey	152484538	Self	30121383-01	10/9/2003	\$ 1,175.00
Kilgore, Douglas	231028041	Self	20112238-01	9/14/02-9/17/02	\$ 900.00
			20116326-01	9/14/2002	\$ 635.24
Kilgore, Douglas	231028041	Janna	20127620-01	4/16/2002	\$ 702.00
			20128232-01	4/11/2002	\$ 547.20
King, Arlene	014424817	Self	20101798-01	7/18/2002	\$ 836.00
			40098685-01	9/17/2004	\$ 600.00
			40076999-01	7/8/2004	\$ 701.09
g, Barry	002565988	Cynthia	40031247-01	2/26/2004	\$ 1,888.00
			50013501-01	5/10/2004	\$ 1,840.00
			40061068-01	5/7/2004	\$ 1,715.00
			40102461-01	9/1/04-9/30/04	\$ 1,247.00
			40021321-02	1/2/04-1/27/04	\$ 1,050.00
			40095828-01	8/18/04-8/31/04	\$ 831.30
			40061974-01	5/10/2004	\$ 910.00
			40073310-01	6/28/2004	\$ 910.00
			40111583-01	10/1/04-10/31/04	\$ 821.00
			40007453-01	12/22/03-12/29/03	\$ 635.00
King, Barry	002565988	Danielle	40018527-01	1/22/2004	\$ 606.60
Kingsley, Robyn	002586874	Edgar	40049818-01	4/8/04-4/22/04	\$ 682.68
Konik, Justin	063642497	Jennifer	20014397-01	10/11/2001	\$ 3,814.48
			10143132-01	10/11/2001	\$ 3,000.00
			20014395-01	10/7/2001	\$ 870.41
			40088648-01	8/20/2004	\$ 803.11
onik, Justin	063642497	Mackenzie	20014398-01	10/11/01-10/13/01	\$ 1,586.97

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Undocumented Claims
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Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Kosakowski, Linda	011387084	Dennis	40067441-02	5/17/2004	\$ 4,000.00
			40067441-01	5/17/2004	\$ 4,000.00
			40065036-01	5/17/2004	\$ 900.00
Kucerak, Milan	105309851	Dawn	40098253-02	8/30/2004	\$ 669.00
Labeau, Darryl	571437672	Courtney	20023479-01	2/14/07-2/17/07	\$ 9,466.25
			10126823-01	10/8/2001	\$ 651.34
Labeau, Darryl	571437672	Cassidy	30003824-01	6/4/2002	\$ 563.00
Labeau, Darryl	571437672	Jeneen	10125071-01	5/21/2001	\$ 796.00
Labombard, Howard	132420934	Self	40086857-01	7/14/2004	\$ 2,347.76
			40086856-01	7/14/2004	\$ 1,100.00
			50014474-01	7/15/2003	\$ 832.70
Labombard, Howard	132420934	Margaret	40065040-01	5/4/04-5/28/04	\$ 2,035.77
			40060509-01	5/24/2004	\$ 1,820.00
			40047236-01	4/5/2004	\$ 1,709.94
			40047251-01	4/12/2004	\$ 1,709.94
			40052341-01	4/2/04-4/29/04	\$ 1,618.89
			40060611-01	5/24/2004	\$ 1,730.44
			40047225-01	4/5/2004	\$ 1,738.50
			40047265-01	4/19/2004	\$ 1,738.50
			40047247-01	4/12/2004	\$ 1,688.50
			40052344-01	4/30/2004	\$ 1,055.47
			40058402-01	4/5/2004	\$ 850.00
			40058404-01	4/13/2004	\$ 850.00
			40071270-01	5/18/2004	\$ 850.00
			40089098-01	5/25/2004	\$ 850.00
			40043418-01	3/17/04-3/18/04	\$ 2,325.00
			40053938-01	4/5/04-4/6/04	\$ 2,000.00
			40002506-01	10/8/2003	\$ 539.00
			40077012-01	5/11/2004	\$ 539.00
			40080175-01	1/12/2004	\$ 539.00
			40080176-01	3/5/2004	\$ 539.00

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Undocumented Claims
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Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40102561-01	9/24/2004	\$ 539.00
			40039474-01	3/17/2004	\$ 1,400.00
Labrecque, Kenneth	008600947	Betany	10110197-01	8/30/2001	\$ 4,200.00
Labrecque, Kenneth	008600947	Kaitlyn	20120328-01	9/26/2002	\$ 773.32
Labrecque, Kenneth	008600947	Kendra	40093432-01	9/3/2004	\$ 682.00
			40095204-01	9/9/2004	\$ 595.00
Lacroix, Roger	008500963	Self	20075526-01	6/11/2002	\$ 2,772.00
			20052881-01	1/17/02-1/24/02	\$ 2,837.00
			20038666-01	2/19/2002	\$ 531.00
Lacroix, Roger	008500963	Brenda	40086860-01	7/19/2004	\$ 1,700.00
Lafferty, John	021404409	Self	20121573-01	6/1/2002	\$ 732.77
Laliberte, Paula	024324108	Self	40116228-01	11/22/2004	\$ 3,346.00
			40098260-01	9/24/2004	\$ 2,690.00
			40098259-01	9/24/2004	\$ 4,329.00
			40102563-01	9/29/2004	\$ 1,756.00
Landry, Erana	020349254	Self	40086864-01	7/22/2004	\$ 1,996.00
Lane, Arthur	013367937	Self	20106959-01	8/27/2002	\$ 2,522.00
			20105632-01	8/27/2002	\$ 1,208.00
			20101397-01	7/31/2002	\$ 1,056.00
			20116328-01	9/25/2002	\$ 790.00
			20128853-01	11/12/2002	\$ 683.00
Lapointe, Eric	010540649	Tyler	20106441-01	9/3/2002	\$ 1,026.74
Lapointe, Gregory	007722723	Self	20001076-01	11/14/2001	\$ 9,453.17
			10123368-01	8/19/2001	\$ 1,702.00
Lapointe, Gregory	007722723	Ann Marie	20051569-02	3/22/2002	\$ 2,163.54
			20053732-01	1/31/2002	\$ 766.00
Lapointe, Gregory	007722723	Brandon	40043458-01	3/15/2004	\$ 795.00
Larson-Moran, Denise	031404523	Self	40087090-01	7/22/2004	\$ 3,044.00
			40096745-01	9/2/2004	\$ 2,728.00
			20066985-01	5/16/2002	\$ 1,701.41
			40098262-01	9/14/2004	\$ 1,326.00

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W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40096751-01	9/14/2004	\$ 1,125.00
			40091884-01	8/20/2004	\$ 1,007.80
			40087087-01	7/22/2004	\$ 1,009.00
			40065043-01	5/28/2004	\$ 682.00
			40080185-01	7/15/2004	\$ 749.00
			40087089-01	7/15/2004	\$ 750.00
Law, Gary	009462740	Jennifer	40087347-01	8/3/2004	\$ 866.00
			40030784-01	1/11/2004	\$ 950.00
Leblond, Ronald	039386496	Bonnie	40098517-01	9/16/2004	\$ 2,205.00
			40096307-02	9/16/2004	\$ 1,056.00
			40098497-01	8/28/2004	\$ 934.00
			40084293-01	8/28/04-8/30/04	\$ 646.73
			40103477-01	8/28/2004	\$ 600.00
Leblond, Ronald	039386496	Sara	40062246-01	4/29/2004	\$ 1,072.83
er, Giselle	030582208	Tyler	20124381-01	10/18/2002	\$ 879.00
Leger, Giselle	030582206	Self	30041107-01	3/26/2003	\$ 672.00
Lemoine, Madeline	003308295	Self	40061073-01	5/19/2004	\$ 2,030.25
			40057937-01	5/6/04-5/7/04	\$ 1,214.00
			40065052-01	5/19/2004	\$ 1,129.00
			40047298-01	4/1/2004	\$ 781.40
			40100097-01	9/16/2004	\$ 781.40
			40054581-01	5/7/2004	\$ 897.00
			20110189-01	9/5/2002	\$ 661.70
			40057938-01	5/19/2004	\$ 616.00
Letourneau, Robert	008582975	Tanya	30092368-01	8/14/2003	\$ 825.00
			30092366-01	8/13/2003	\$ 675.00
Lison, Richard	010329962	Self	40049898-01	4/19/2004	\$ 1,830.00
			40054584-01	4/20/2004	\$ 580.00
Lord, Jonathan	003629383	Abigail	40031257-01	2/24/2004	\$ 568.50
Lord, Jonathan	003629383	Self	40057940-01	11/13/03-11/14/03	\$5,957.00
oy, Karole	003541101	Self	40021337-01	1/22/04-1/23/04	\$ 7,333.49

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Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40057335-01	1/5/2004	\$ 3,400.00
			40013368-01	1/5/2004	\$ 1,583.15
			40015893-01	1/5/2004	\$ 1,704.00
			40015900-01	1/22/2004	\$ 1,015.00
			40015895-01	1/15/2004	\$ 540.00
			40007614-01	1/5/2004	\$ 528.00
Lucy, Karole	003541101	Kaylie	20106961-01	5/28/2002	\$ 1,635.00
			40077038-1	7/5/2004	\$ 1,342.42
			40018545-01	1/23/2004	\$ 1,269.00
			20106972-01	3/19/2002	\$ 1,026.00
			20106973-01	3/11/2002	\$ 534.00
			40077041-01	7/5/2004	\$ 759.00
Lucy, Karole	003541101	Parker	40102581-01	10/3/2004	\$ 1,558.25
			40090289-01	8/10/2004	\$ 526.80
chia, Miranda	009603901	Kyle	20052958-01	2/26/02-2/27/02	\$ 1,559.61
Mackay, John	017509173	Sandra	20106113-01	8/31/2002	\$ 984.00
Mackay, John	017509173	Self	20110211-01	1/9/02-4/9/02	\$ 1,440.00
Magliacane, Doreen	020582876	Self	20039096-01	2/16/02-2/17/02	\$ 9,788.66
Magoon, Wendall	009642362	Brendan	20128679-01	11/8/2002	\$ 1,120.05
			20128791-01	11/8/2002	\$ 862.00
Maitland, Kellie	175567963	Bruce	40088673-02	8/17/2004	\$ 611.60
Martin, Lynn	133500163	Self	40111634-01	11/3/2004	\$ 1,404.62
Maruszewski, Paul	086487955	Kathryn	40105605-01	10/12/2004	\$ 765.00
Maruszewski, Paul	086487955	Self	40108192-01	10/21/2004	\$ 1,045.00
Mattson, Michael	031547580	Ryan	20039028-01	2/12/2002	\$ 629.00
Maxfield, Bridgette	009703266	Branden	20101836-01	8/8/2002	\$ 2,255.00
			20101834-01	8/8/2002	\$ 825.00
Mayer, Paul	008385222	Self	40007634-01	12/16/2003	\$ 840.00
Mayville, Leonard	122284901	Self	20039107-01	2/12/02-2/17/02	\$ 13,715.79
			20059798-01	2/12/2002	\$ 1,190.00
ayville, Leonard	122284901	Anna	10124082-01	8/19/2001	\$ 1,350.52

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Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Mazza, John	097602685	John	10118442-01	8/10/01-8/12/01	\$ 4,158.01
			20101908-01	7/18/2002	\$ 1,157.23
			10120244-01	7/31/01-8/24/01	\$ 655.00
Mazza, John	097602685	Self	40027166-01	2/11/2004	\$ 3,121.46
McAdams, James	463997325	Self	40018565-01	1/22/2004	\$ 853.03
McCarthy, Carol	014407451	John	40043497-01	4/20/2004	\$ 1,914.50
			40114477-01	11/10/2004	\$ 1,930.74
			40070068-01	6/29/04-6/30/04	\$ 4,403.52
			40073735-01	6/29/2004	\$ 1,419.50
			40062187-01	6/1/2004	\$ 1,370.00
			40049973-01	4/16/04-4/20/04	\$ 1,147.40
			40062010-01	5/27/2004	\$ 1,146.29
			40087263-01	6/29/2004	\$ 962.39
			40065087-01	6/1/2004	\$ 999.60
			40083593-01	7/22/04-7/23/04	\$ 842.66
			40087290-01	7/23/2004	\$ 759.50
			40062148-01	5/27/2004	\$ 707.79
			40077102-01	6/1/2004	\$ 707.79
			40089109-01	7/22/2004	\$659.07
McCormick, Danny	001443430	Ronnie	20118333-01	10/2/2002	\$ 1,567.00
			20118339-01	10/2/2002	\$ 720.00
McGee, Ann	023427002	Albert	40077119-01	6/25/2004	\$ 5,000.00
			40105609-01	10/6/2004	\$ 2,792.50
			40109015-01	10/22/2004	\$ 2,151.00
			40037178-02	3/3/2004	\$ 1,955.00
			40070836-01	6/2/2004	\$ 3,169.71
			40027174-01	2/10/2004	\$ 1,186.00
			10123344-01	10/5/2001	\$ 1,345.00
			40065263-01	6/2/2004	\$ 1,300.00
			40100157-01	10/6/2004	\$ 610.00
McKirryher, Bradford	008347496	Self	40100166-01	10/4/2004	\$ 1,950.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40089021-01	8/2/2004	\$ 1,213.18
			30076135-01	6/5/2003	\$ 845.00
McMahon, Kim	019500104	William	40073380-01	6/7/04-6/8/04	\$ 1,663.00
McMahon, Kim	019500104	Self	20006956-01	11/26/2001	\$ 787.50
			40108212-01	10/11/2004	\$ 1,350.00
			20107223-01	8/25/2002	\$ 823.03
			20116274-01	9/25/2002	\$ 750.00
McMahon, Kim	019500104	John	40013399-01	1/2/2004	\$ 1,053.00
			40004716-01	1/2/2004	\$ 900.00
			40109020-01	10/19/2004	\$ 723.00
			40013400-02	1/10/2004	\$ 1,319.00
Menz, John	018503058	Self	40004724-01	11/4/2003	\$ 1,455.00
Meredith, Robert	313382266	Self	10133999-01	9/6/2001	\$ 2,150.00
			10127510-01	9/26/2001	\$ 1,311.81
			10119464-01	9/26/2001	\$ 1,255.00
Metrano, Joseph	028306717	Shirley	30099688-01	9/16/2003	\$ 925.00
			20107246-01	4/29/2002	\$ 738.40
Michaud, Allan	008383447	Self	20124478-01	10/30/2002	\$ 815.00
Michaud, Carolyn	007765130	Self	40013402-01	12/20/03-12/21/03	\$ 1,157.26
			40105616-01	10/8/2004	\$ 721.00
			40087108-01	2/13/2004	\$ 560.25
Michener, Gary	098408020	Self	40067725-01	6/2/2004	\$ 1,375.00
Michener, Gary	098408020	Dori	40000481-01	3/20/2003	\$ 1,080.00
			40073386-01	6/24/2004	\$ 569.91
Millhime, James	162400358	Monica	30092242-02	3/27/2003	\$ 842.00
Misner, Brian	028548788	Ashleigh	40101704-01	9/24/2004	\$ 1,500.00
			40100170-01	9/23/2004	\$ 767.00
Misner, Brian	028548788	Self	40015931-02	1/14/2004	\$ 767.00
Molinaro, Carole	041681519	Self	40080198-01	7/12/2004	\$ 1,066.65
			40087287-01	7/12/2004	\$ 899.00
			40062139-01	6/2/2004	\$ 790.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Monette, Steven	008384577	Self	20128205-01	10/18/2002	\$ 2,733.65
			40102899-01	10/5/2004	\$ 1,765.00
			40108249-01	10/13/2004	\$ 1,595.00
			40105621-01	10/13/2004	\$ 1,390.00
			40091883-01	8/25/2004	\$ 1,205.60
			20114584-02	10/18/2002	\$ 858.00
			40087098-01	7/30/2004	\$ 644.40
Monette, Steven	008384577	Christopher	20011999-01	12/28/2001	\$ 1,460.00
Moore, Edward	003707029	Marie	40077201-01	7/5/2004	\$ 1,584.40
			40067731-01	6/14/2004	\$ 962.00
Moore, Edward	003707029	Paige	40088692-01	8/4/074	\$ 1,204.00
Moore, Edward	003707029	Miranda	40115318-01	11/13/2004	\$ 993.00
Moore, Kenneth	027441662	Ashley	10124148-01	10/29/2001	\$ 3,880.00
			20124553-01	7/30/2002	\$ 1,115.00
			40013550-01	1/5/04-1/6/04	\$ 709.00
Moore, Kenneth	027441662	Self	40060629-01	5/20/2004	\$ 1,258.00
Moore, Travis	005845792	Self	40087105-01	8/10/2004	\$ 1,140.00
Moran, Gregory	013366891	Self	30024626-01	1/13/2003	\$ 2,597.65
			40005456-01	12/26/2003	\$ 2,030.00
			20120496-01	10/6/2002	\$ 2,208.00
			20084925-02	6/22/2002	\$ 1,667.00
			20085049-03	6/22/2002	\$ 1,212.32
Moran, Gregory	013366891	Deirdre	40065295-01	6/7/2004	\$ 750.00
			20121246-01	5/10/2002	\$ 590.00
Moran, Gregory	013366891	Caitlin	40071317-01	6/16/2004	\$ 639.00
Moran III, Marcus	011522237	Jennifer	20110478-01	9/16/02-9/18/02	\$ 5,524.06
			30001902-01	2/15/2002	\$ 955.50
Moran III, Marcus	011522237	Self	20004807-01	1/8/2002	\$ 1,345.00
Moran Jr, M. Marcus	030345751	Self	30011911-01	2/3/2003	\$ 1,171.00
Moran Sr, M. Marcus	030073006	Claire	30050511-01	5/6/03-5/8/03	\$ 3,602.63

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40007696-01	12/10/2003	\$ 4,329.00
			40000483-01	12/10/2003	\$ 1,500.00
			40086903-01	8/1/2004	\$ 1,380.00
			30056962-01	5/12/2003	\$ 1,670.00
			30129951-01	12/9/03-12/10/03	\$ 3,085.87
			40088695-01	8/2/04-8/3/04	\$ 5,691.65
			30132468-01	12/10/2003	\$ 1,470.00
			40021517-01	12/9/2003	\$ 553.00
Moran Sr, M. Marcus	030073006	Self	50001888-01	8/20/03	\$ 3,339.00
			20022043-01	1/17/02	\$ 2,099.69
			40000228-01	11/6/03	\$ 2,045.00
			40098321-01	11/6/2003	\$ 1,810.00
			50001890-01	8/20/2003	\$ 1,430.00
			20102033-01	7/29/2002	\$ 750.00
			40027200-02	1/10/04-1/29/04	\$ 700.00
			50001889-01	8/20/2003	\$ 922.00
			40094261-01	9/13/2004	\$ 775.00
			40023996-01	1/3/2004	\$ 523.00
Morin, Alan	551431850	Self	10099483-01	7/17/2001	\$ 3,318.41
			10095725-01	7/17/2001	\$ 2,805.00
			10103577-01	7/17/2001	\$ 770.00
Morse, Ashley	011709904	Self	40061079-01	5/13/2004	\$ 5,717.23
			20120771-01	8/15/2002	\$ 1,019.00
			40060657-01	5/13/2004	\$ 627.00
			40062029-01	5/13/2004	\$ 510.00
Morse, Nancy	019483976	Self	40039515-01	3/31/2004	\$ 652.00
Muter, Kevin	287743885	Self	40095208-01	9/4/2004	\$ 506.00
Nadin, George	048309641	Self	20069912-01	5/28/2002	\$ 1,051.00
Nason, Herbert	075303503	Self	20052197-01	1/10/2002	\$ 588.00
Neal, Travis	007762370	Ethan	20128520-01	10/30/2002	\$ 1,738.00
			20128066-01	10/30/2002	\$ 580.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Needham, Brett	006725745	Barbara	40110389-01	10/14/2004	\$ 864.48
			40007771-01	12/8/2003	\$ 641.40
			40113901-01	11/1/2004	\$ 562.38
Needham, James	009385824	Marilee	20120615-01	10/9/02-10/28/02	\$ 1,945.00
Neves, Daniel	022543582	Self	40111854-01	10/18/2004	\$ 687.00
Newman, Mark	002447261	Jared	10103549-01	7/11/2001	\$ 653.00
Nichuals, Richard	091484722	Self	40077234-01	7/7/2004	\$ 1,891.87
			40080205-01	7/7/2004	\$ 836.00
			40067749-01	6/11/2004	\$ 594.00
			40077236-01	7/7/2004	\$ 594.00
Nielsen, Brian	005661867	Katherine	40096814-01	9/1/2004	\$ 1,496.00
			40116320-01	10/1/03-12/31/03	\$ 1,993.98
			40077261-01	6/29/2004	\$ 1,354.56
			40114521-01	11/11/2004	\$ 1,400.00
			40080207-01	6/29/2004	\$ 1,102.00
			40047378-01	4/6/04-4/21/04	\$ 750.00
			40054623-01	3/18/2004	\$ 614.00
Nielsen, Brian	005661867	Elizabeth	40049690-01	3/16-3/17/04	\$ 814.62
Norway, Donna	008407166	Self	30135411-02	11/4/03-11/30/03	\$ 1,131.00
			40009620-02	12/2/03-12/31/03	\$ 792.00
O'Connor, Keith	025681748	Self	10104748-01	7/9/2001	\$ 700.00
Olson, David	028449298	Self	20101814-01	7/23/2002	\$ 1,996.47
			40047382-01	4/19/2004	\$ 686.50
O'Neill, Susan	020524272	Samanta	20102744-01	8/3/02-8/5/02	\$ 2,795.40
			20128352-01	11/13/2002	\$ 1,060.00
			20101768-01	8/2/2002	\$ 975.00
			20102747-01	8/2/2002	\$ 760.41
Oslund, Jason	025609332	Self	20003543-01	10/11/2001	\$ 609.84
Ouellette, Roger	024303550	Self	20124392-01	10/25/2002	\$ 3,089.32
			40027225-01	1/21/2004	\$ 3,125.00
			40021536-01	1/21/2004	\$ 5,917.17

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			30129836-01	11/25/2003	\$ 1,500.00
			40018662-01	1/21/2004	\$ 765.00
			20128239-01	10/25/2002	\$ 600.00
			20130851-01	5/10/2002	\$ 600.00
Ouellette, Roger	024303550	Joan	40102642-01	9/29/2004	\$ 1,017.00
			20127985-01	11/4/2002	\$ 924.00
			40073582-01	6/15/2004	\$ 714.00
			40071240-01	6/18/2004	\$ 750.00
			10145292-01	11/28/2001	\$1,050.00
Parsons, Mary	007729785	Stephanie	40054636-02	4/27/2004	\$ 1,428.19
Parsons, Mary	007729785	Terri	40060533-01	5/6/2004	\$ 789.38
Pasierb, Paul	015382401	Kathleen	20122777-01	10/21/2002	\$ 2,714.02
			20052956-01	2/21/02-2/22/02	\$ 12,082.95
			40097725-01	5/15/2004	\$ 751.13
			40065388-01	5/15/04-5/16/04	\$ 668.47
Patient, Heidi	022609574	Self	20053717-01	2/26/2002	\$ 7,997.37
			20050243-01	2/26/2002	\$ 900.00
			20038981-01	2/2/2002	\$ 701.33
Pederson, Louise	040626217	Stephanie	40001825-01	12/8/2003	\$ 1,328.90
			40007814-01	12/18/2003	\$ 1,170.00
			40029579-01	12/8/03-12/11/03	\$ 11,537.52
			40010499-01	12/8/2003	\$ 570.41
			40029588-01	12/8/03-12/9/03	\$ 750.00
			40029594-01	12/10/03-12/11/03	\$ 750.00
Pederson, Louise	040626217	Dwayne	40058165-01	5/7/2004	\$ 1,121.00
Pederson, Louise	040626217	Self	40058166-01	5/10/2004	\$ 972.94
			40100529-01	9/29/2004	\$ 1,650.00
Pelletier, Michael	005642212	Ashley	30062819-01	8/18/02-12/6/02	\$ 1,300.00
Pelletier, Michael	005642212	Susan	30115825-01	10/17/2003	\$ 2,354.00
Percifull, Anush	020842563	Scott	20007992-01	1/17/2002	\$ 700.00
Peterson, Martin	014608722	Lynette	20020685-01	2/19/2002	\$ 1,075.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Pierce, Craig	030544747	Self	20127639-01	10/22/2002	\$ 1,973.00
			20128252-01	10/22/2002	\$ 813.00
			20058984-01	11/29/2001	\$ 675.00
Pitkin, Fred	003422404	Self	40094394-02	9/4/2004	\$ 1,281.57
			40091967-02	9/7/2004	\$ 1,460.00
			40115493-01	11/4/2004	\$ 1,295.00
			40065413-01	5/12/2004	\$ 532.79
Poirier, Randy	008520915	Judith	40073592-01	6/24/2004	\$ 700.69
Poirier, Randy	008520915	Self	40111705-01	11/11/2004	\$ 573.35
Pucillo, Ann	016307057	Self	20118400-01	9/30/2002	\$ 1,653.00
Rabideau, Danford	114428324	Self	40016456-02	1/27/2004	\$ 954.62
			40001548-01	12/3/2003	\$ 573.65
			40093086-01	5/7/2004	\$ 564.50
Racette, Pamela	028647101	Self	40062052-01	5/20/2004	\$ 674.00
neau, Amy	016605290	Self	20104822-01	8/14/2002	\$ 674.00
			20118030-01	9/26/2002	\$ 674.00
Rasmussen, Duncan	023521311	Catherine	40090325-01	7/29/2004	\$ 1,450.00
Reid, John	127504187	Deanne	40004067-01	12/19/2003	\$ 1,414.18
			20105595-01	8/14/2002	\$ 834.61
			40001803-01	12/17/2003	\$ 634.64
Relihan, Maurice	002321754	Self	40098482-01	9/1/2004	\$ 1,255.70
			40103476-01	9/1/2004	\$ 1,496.00
			40055852-01	5/17/2004	\$ 1,900.00
			40090326-01	8/9/2004	\$ 709.25
Remal, Brian	013567837	Self	20059699-01	1/2/2002	\$ 925.75
			20107198-01	8/15/2002	\$ 1,585.00
			20105186-01	8/15/2002	\$ 675.00
Renzi, Dawn	010585689	Korey	40105735-01	10/22/2004	\$ 1,530.00
Renzi, Dawn	010585689	Self	40086933-01	7/10/2004	\$ 688.00
Rhoades, Joseph	023568011	Self	40102650-01	9/30/2004	\$ 873.00
horne, Brian	113729872	Kristal	10120246-01	8/10/01-8/13/01	\$ 6,151.25

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20009924-01	1/3/2002	\$ 1,981.40
			20008259-01	9/26/2001	\$ 984.80
			10133998-01	9/12/2001	\$ 723.30
Rhone, Brian	113729872	Kandal	40044757-01	11/24/2003	\$ 595.00
Richard, Albert	004581551	Self	10123698-01	6/26/2001	\$ 1,676.83
Richard, Rene	012444181	Self	20106124-01	8/20/2002	\$ 2,690.00
			30076115-01	7/9/2003	\$ 1,450.00
			40018673-01	11/21/2003	\$ 1,650.00
			30018714-01	11/20/2002	\$ 670.20
Richard, Rene	012444181	Suzanne	40077431-01	7/2/2004	\$ 1,019.52
			40073718-01	6/29/2004	\$ 1,450.00
			40098630-01	9/15/2004	\$ 600.00
			30103007-01	9/2/2003	\$ 674.00
			40013556-01	1/7/2004	\$ 674.00
			40098715-01	9/15/2004	\$ 675.00
Richardson, Bruce	001325325	Self	30107385-01	10/6/2003	\$ 720.00
Rivard, Gloria	009583222	Self	40004081-02	12/3/03-12/26/03	\$ 800.52
Rivenburg, Scott	100746269	Tara	40088963-01	4/20/2004	\$ 1,429.56
			40093097-01	8/4/2004	\$ 520.00
Roche, Thomas	003363681	Brittany	20039129-01	2/27/2002	\$ 4,129.00
			40073802-01	7/6/2004	\$ 1,290.00
			40016047-01	1/15/2004	\$ 1,196.00
			40054704-01	4/28/2004	\$ 1,016.00
			20127613-01	2/27/2002	\$ 867.00
			40083724-01	7/13/2004	\$ 860.00
			40094254-01	8/18/2004	\$ 891.00
			40093098-01	8/18/2004	\$ 747.00
			40077482-01	7/1/2004	\$ 732.00
Rodriquez, Jason	028608894	Self	20059554-01	3/8/2002	\$ 930.00
Rosario, Louis	084585432	Self	20115352-01	9/16/2002	\$ 2,633.18
Russib, Cathy	021566985	Self	40116475-01	11/27/2004	\$ 1,350.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Rule, Kim	060502312	Self	20038999-01	1/22/2002	\$ 1,150.53
Rule, Kim	060502312	Ashley	20039010-01	11/6/2001	\$ 544.09
			10110131-01	8/30/2001	\$ 676.00
Rydlowski, Darrer	064743364	Self	40087622-02	5/18/04-6/15/04	\$ 900.00
Sauve, Andre	088568002	Dawn	10123183-01	7/31/2001	\$ 717.18
Savoie, Steven	025660068	Self	20103538-01	8/20/2002	\$ 7,382.81
			20105626-01	8/20/2002	\$ 2,000.00
			20105176-01	8/20/2002	\$ 792.00
Schmid, Frank	086402380	Diane	40077483-01	7/12/2004	\$ 1,090.35
			40086970-01	7/12/2004	\$ 800.00
Schmid, Frank	086402380	Self	40083725-01	7/7/2004	\$ 720.00
			40077948-01	7/7/2004	\$ 877.00
			40080665-01	7/7/2004	\$ 596.00
			40008544-02	1/5/2004	\$ 520.00
pen, Walter	011344307	Self	30087462-01	6/6/2003	\$ 635.00
Scopellitti, Brian	018524112	Jennifer	40027268-01	2/2/2004	\$ 2,348.77
			40009660-02	12/24/2003	\$ 1,428.00
			40009661-02	12/30/2003	\$ 910.00
			40115508-01	11/22/2004	\$ 750.00
Seavey, Christopher	004848731	Stephanie	40069650-20	6/1/04-6/19/04	\$ 40,482.42
			40088817-01	7/31/2004	\$ 3,395.72
			40095142-01	8/11/2004	\$ 1,667.00
			40097691-01	7/13/04-7/18/04	\$ 3,170.00
			20002651-01	11/2/2001	\$ 1,118.50
			40098531-01	7/23/2004	\$ 1,032.00
			40080697-01	7/6/2004	\$ 969.00
			40098791-01	5/21/2004	\$ 1,200.00
			40088820-01	7/31/2004	\$ 937.50
			40090357-01	8/18/2004	\$ 781.00
			40090358-01	8/18/2004	\$ 781.00
			40090360-01	7/6/04-7/11/04	\$ 1,196.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40088814-01	7/28/2004	\$ 711.00
			40069662-01	6/22/2004	\$ 665.00
			40086992-01	7/31/2004	\$ 660.00
			40088786-01	7/12/04-7/18/04	\$ 700.00
			40094263-02	7/6/2004	\$ 712.09
			40084537-01	5/12/2004	\$ 690.00
			40083747-01	7/17/2004	\$ 626.00
			40088790-01	7/18/2004	\$ 626.00
			40098788-01	7/16/2004	\$ 630.00
			40083795-01	5/12/2004	\$ 960.00
Shapiro, Larry	108429234	Jayne	40087536-01	7/30/2004	\$ 1,906.50
			10123672-01	10/4/2001	\$ 1,900.00
			40091531-01	2/4/2004	\$ 840.00
			4001071-01	12/18/2003	\$ 827.00
a, William	001344277	Self	20039006-01	1/29/2002	\$ 1,284.63
Sherman, William	008561832	Self	20103833-01	8/22/2002	\$ 1,908.00
			20118106-01	9/20/2002	\$ 1,065.00
Smith, Diane	008360969	Renee	40069631-01	6/15/2004	\$ 560.50
Smith, Fred	006641219	Lisa	40021596-01	1/27/2004	\$ 1,653.00
Spears, Glen	009423952	Joy	40069817-01	4/29/2004	\$ 3,739.20
			40076773-01	5/13/2004	\$ 2,435.00
			40076770-01	4/29/2004	\$ 2,435.00
			40083415-01	9/19/2003	\$ 1,017.61
			40021106-02	1/26/2004	\$ 7,749.07
St. Cyr, Janice	026320778	Roger	40097694-01	1/28/2004	\$ 4,152.54
			40097695-01	6/15/04-6/16/04	\$ 4,096.79
			40088833-01	8/20/2004	\$ 721.00
			40016083-01	1/28/2004	\$ 525.00
St. Cyr, Janice	026320778	Self	20102858-01	8/14/2002	\$ 500.00
St. Pierre, Thomas	021404783	Self	40029641-01	2/26/2004	\$ 3,014.00
			20023251-01	1/24/2002	\$ 649.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
St. Pierre, Thomas	021404783	Susan	40018842-01	1/13/2004	\$ 1,700.00
			40018839-01	1/13/2004	\$ 11,488.34
St. Pierre, Joshua	033627802	Madison	40108360-02	10/26/2004	\$ 1,040.00
			40108356-01	10/26/2004	\$ 510.00
Stanovich, June	014629030	Self	40090368-01	8/6/2004	\$ 1,360.44
			20128045-01	11/2/2002	\$ 1,305.00
			40089081-01	8/6/2004	\$ 700.00
Staples, Troy	009364806	Self	40027290-01	2/26/2004	\$ 1,375.00
Steinman, Johnathan	009547873	Self	20130919-01	11/21/2002	\$ 795.00
Stewart, Renee	001509991	Joshua	40083755-01	7/19/2004	\$ 2,382.61
			40083756-01	7/19/2004	\$ 762.00
Stewart, Renee	001509991	Self	30011894-01	1/27/2003	\$ 2,843.00
			40102715-01	9/17/2004	\$ 555.50
Stewart, Renee	001509991	Michael	40060551-01	2/3/2004	\$ 736.40
ry, Daniel	231841218	Abigail	40055004-01	4/6/04-4/27/04	\$ 1,367.85
			40050108-01	2/8/2004	\$ 1,650.00
			40108368-02	9/29/04-9/30/04	\$ 640.50
Story, Daniel	231841218	David	30032903-02	3/21/2003	\$ 1,000.00
Strasswimmer, Aaron	123566113	Kierstyn	10118441-01	9/20/2001	\$ 1,172.78
Strong, Wayne	089401185	Self	30122198-01	10/22/03-11/19/03	\$ 50,557.14
Sturick, Joan Marie	054645406	Self	40047448-01	7/11/2003	\$ 1,803.02
			40102737-01	10/8/2004	\$ 1,519.00
Sullivan, Charles	033364855	Self	40091652-01	8/23/2004	\$ 2,090.85
			40105764-01	10/19/2004	\$ 1,905.00
			40089129-01	8/23/2004	\$ 1,225.00
			40065562-01	5/20/2004	\$ 723.58
Sullivan, Charles	033364855	Judith	30076141-01	7/8/2003	\$ 980.00
Sullivan, Scott	094601062	Sandra	40098536-02	8/13/2004	\$ 1,439.05
Sullivan, Scott	094601062	Carly	20028501-01	1/3/2002	\$ 568.54
Sumner, Michael	009406522	Donna	20120855-01	3/8/2002	\$ 1,800.00
			40058276-01	5/4/2004	\$ 1,632.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			40055006-01	4/29/2004	\$ 962.00
			40029649-01	3/2/2004	\$ 600.00
			40027314-01	2/17/2004	\$ 685.00
Sumner, Michael	009406522	Katherine	40008980-01	1/14/2004	\$ 1,043.00
			30011709-01	1/2/2003	\$ 1,045.00
Swanson, David	014343997	Self	40047697-01	9/12/2003	\$ 1,166.00
Taft, Lucille	009249320	Self	40083762-01	7/16/2004	\$ 2,219.89
			40087258-01	8/2/2004	\$ 1,078.00
Taylor, Gary	009527128	Self	20108378-01	6/26/2002	\$ 995.00
			20108379-01	5/30/2002	\$ 975.00
Taylor, Gary	009527128	Justin	10113192-01	7/9/2001	\$ 2,508.00
Tessier, George	019522003	Christine	20088216-01	7/12/2002	\$ 1,920.00
Thomas, Shane	021608389	Mionie	40035433-01	4/1/04-4/2/04	\$ 4,081.55
			40094384-01	9/7/2004	\$ 3,616.59
			40098540-01	9/7/2004	\$ 3,000.00
			40044833-01	4/1/2004	\$ 836.00
			40044836-01	4/1/2004	\$ 810.00
			40098541-01	9/7/2004	\$ 988.00
			40088950-01	7/17/2004	\$ 610.00
Thompson, Brian	002544486	Self	40065574-02	5/27/2004	\$ 1,699.00
			40027325-01	2/12/2004	\$ 1,155.75
			40024045-01	2/12/2004	\$ 924.00
Tinker, Charles	009301101	Self	30107414-01	3/18/2003	\$ 874.00
Toland, Terry	003320882	Self	30066577-02	5/28/2003	\$ 4,260.00
Tomasi, Rhonda	083528568	Self	20118020-01	9/24/2002	\$ 552.67
Torrey, Dennis	008449147	Susan	40108398-01	10/20/2004	\$ 1,762.33
			40105770-02	10/20/2004	\$ 900.00
			30042683-01	4/1/2003	\$ 975.00
Tranka, Edward	075721981	Nancey	40108400-01	10/14/2004	\$ 2,426.78
			40110428-01	10/28/2004	\$ 2,882.53
			40100233-01	9/17/2004	\$ 1,902.07

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20008274-01	12/26/2001	\$ 1,681.30
			40058289-01	5/15/2004	\$ 905.34
Tranka, Edward	075721981	Self	10124238-01	8/6/2001	\$ 742.69
			40027347-01	1/23/2004	\$ 507.00
Tranka, Edward	075721981	Piper	40117339-01	11/27/2004	\$ 578.00
Triplett, Napoleon	403302486	Self	10104752-01	7/26/2001	\$ 3,025.00
Triplett, Napoleon	403302486	Irene	20032027-01	7/26/2001	\$ 2,600.00
Valeski, Stephen	015486840	Self	20017373-01	1/28/02-1/30/02	\$ 20,006.45
			20049955-01	3/9/02-3/28/02	\$ 7,121.89
			20110495-01	9/11/02-9/18/02	\$ 2,143.73
			20124372-01	10/25/02-10/30/02	\$ 2,091.04
			20042591-01	2/19/02-2/28/02	\$ 2,196.00
			20101705-01	7/1/2002	\$ 2,275.00
			20105621-01	8/1/2002	\$ 2,275.00
			20118247-01	9/1/2002	\$ 2,275.00
			40087177-01	7/1/2004	\$ 2,275.00
			40093171-01	8/1/2004	\$ 2,275.00
			40095188-01	9/1/2004	\$ 1,806.01
			40098831-01	9/27/2004	\$ 1,806.01
			20121386-01	10/15/2002	\$ 2,073.70
			20119663-01	10/2/2002	\$ 1,731.17
			20079394-01	6/1/02-6/6/02	\$ 1,615.67
			30054833-01	4/9/03-4/30/03	\$ 1,588.46
			20110474-01	9/25/2002	\$ 1,334.00
			20049956-01	3/29/2002	\$ 1,223.00
			20127633-01	11/6/2002	\$ 932.00
			20128182-01	11/13/2002	\$ 932.00
			20120738-01	10/16/2002	\$ 916.00
			20103836-01	8/28/2002	\$ 878.22
			20101801-01	6/29/2002	\$ 799.00
			20104333-01	8/21/2002	\$ 799.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20131077-01	10/15/2002	\$ 1,500.00
			20106938-01	9/4/2002	\$ 664.00
			20131272-01	11/18/2002	\$ 664.00
Viault, Fred	009307896	Self	20011245-01	1/8/2002	\$ 2,818.95
			40099657-01	7/27/2004	\$ 2,000.00
Viault, Fred	009307896	Joan	40024056-02	2/11/2004	\$ 1,125.00
			40098559-01	9/28/2004	\$ 897.58
			40001540-01	12/7/2003	\$ 810.21
			40004865-01	12/8/2003	\$ 798.00
			40011249-02	12/17/2003	\$ 560.00
Vradenburg, Angela	118569614	James	20107109-01	8/23/2002	\$ 731.17
Vradenburg, Angela	118569614	Self	20121287-01	8/16/2002	\$ 602.14
Ward, Scott	234068823	Self	20049958-01	3/19/2002	\$ 8,760.86
			40060561-01	5/18/2004	\$ 1,575.00
			40073652-01	5/18/2004	\$ 1,610.48
			40058300-01	5/18/2004	\$ 3,660.00
			40062095-01	5/18/2004	\$ 4,575.00
			10120227-01	8/12/2001	\$ 749.38
			20008322-01	11/7/2001	\$ 680.54
			20012894-01	1/28/2002	\$ 950.00
			40071454-01	3/17/2004	\$ 2,176.00
			4055058-01	4/21/2004	\$ 1,390.00
Ward, Scott	234068823	Kathleen	20106301-01	8/26/2002	\$ 825.17
			40071452-01	5/27/04-6/7/04	\$ 845.00
			20052949-01	2/7/2002	\$ 704.19
			40071453-01	6/1/2004	\$ 520.00
			40062134-01	5/28/2004	\$ 559.37
Ward, Scott	234068823	Rebecca	20126405-01	10/24/2002	\$ 631.13
			20093952-01	7/16/2002	\$ 559.45
Warren, Robin	028580545	Daniel	30009675-01	4/30/2002	\$ 3,700.00
Washburn, Katherine	009408472	Mark	10104724-01	7/21/2001	\$ 822.50

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20057034-01	3/1/2002	\$ 610.00
			20053725-01	3/1/2002	\$ 574.89
Weeks, Hayley	003749270	Self	20067240-01	5/15/2002	\$ 4,295.00
			40077861-01	6/29/2004	\$ 1,628.42
			40079455-01	6/15/04-6/22/04	\$ 1,613.58
			40077962-01	7/8/2004	\$ 1,378.00
			40079456-01	6/23/04-6/28/04	\$ 1,215.17
			40053926-01	4/14/2004	\$ 1,201.00
			40050121-01	4/14/2004	\$ 1,182.65
			40077972-01	7/8/2004	\$ 1,137.41
			40068134-01	6/9/2004	\$ 1,235.00
			40079454-01	6/11/2004	\$ 908.81
			40108408-01	6/11/04-6/30/04	\$ 960.00
			40088958-01	7/8/04-7/9/04	\$ 909.41
			40093182-01	7/7/04-7/8/04	\$ 802.12
			40073665-01	6/2/2004	\$ 701.00
			20124642-01	10/27/2002	\$ 616.16
Wentzell, Shriley	001280096	Self	20066114-01	6/5/2002	\$ 1,280.00
Wescott, David	042546043	Casey	20007377-01	12/31/2001	\$ 745.00
White, Christine	012644584	Self	30095793-02	6/18/2003	\$ 1,850.00
			30090522-01	7/18/2003	\$ 500.00
Whittington, Terry	091703078	Self	40039399-01	3/18/2004	\$ 1,020.00
Wilcox, Craig	086461184	Donna	40102754-01	10/5/2004	\$ 1,098.72
			40013626-01	1/15/2004	\$ 2,500.00
			40009730-01	1/15/2004	\$ 910.00
			40100249-01	10/1/2004	\$ 832.41
Wilkinson, David	006708398	Jeremy	20128063-01	11/7/2002	\$ 967.50
Wilkinson, David	006708398	Carol	20124666-01	10/16/2002	\$ 585.75
Williams, Dennis	008286378	Self	30094981-01	8/25/2003	\$ 1,795.83
Williams, Dennis	008286378	Lorette	40016315-01	1/26/2004	\$ 1,328.23
			40031646-01	3/11/2004	\$ 642.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Williams, Paul	009549535	Self	40052468-01	5/4/2004	\$ 773.00
Woods, Susan	028509891	Self	20040395-01	12/14/2001	\$ 840.00
Wylie, Donald	077606521	Denise	20115341-01	8/23/2002	\$ 867.48
Young, Mark	008528956	Self	10125334-01	9/18/2001	\$ 1,193.81
Young, Mark	028482746	Elise	20011068-01	11/15/2001	\$ 801.00
Young, Mark	008528956	Self	20116016-01	9/30/2002	\$ 995.00
Young, Philip	002468828	Self	40115566-01	11/19/2004	\$ 1,809.00
			40024063-01	2/6/2004	\$ 1,715.00
			40098575-01	9/13/2004	\$ 747.00
			40114630-01	11/11/2004	\$ 810.00
Young, Robert	006460002	Self	10114054-01	8/31/2001	\$ 631.00
Zampieri, Brenda	009280070	Self	40077890-01	2/10/2004	\$ 1,668.67
			40018971-01	2/10/2004	\$ 1,232.00
Zampieri, Brenda	009280070	Joseph	20040196-01	3/8/2002	\$ 1,815.00
mojtel, Linda	025400040	Self	40080795-01	7/6/2004	\$ 720.32
Exhibit Total:					\$2,555,922.38

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EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Agate, Michael	Self	104681445	10122100-01	8/27/2001	\$ 817.20	\$ 817.20	
Comments: The diagnosis of closed fracture of metatarsal was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Arel, Andre	Self	003544806	Various	1/8/02-8/11/03	\$ 9,027.70	\$ 9,027.70	
Comments: The diagnosis of tear meniscus of knee was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Burns, Kristi	Self	022563525	30069527-01	5/27/2003	\$ 647.45	\$ 647.45	
Comments: The diagnosis of other and unspecified injury to knee, leg, ankle and foot was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Canuel, Robert	Rachel	018548814	30099950-01	4/13/2003	\$ 567.88	\$ 567.88	
Comments: The diagnosis of open wound of fingers was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Dailey, Alicia	Cory Kelley	009629575	20023059-01	10/31/2001	\$ 925.52	\$ 925.52	
Comments: The diagnosis of fracture of radius; accidental fall from playground equipment was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Dunphe, Mark	Self	035387596	20058538-01	1/3/2002	\$ 600.00	\$ 600.00	
			20051413-01	4/11/2002	\$ 3,485.29	\$ 3,485.29	
			20051415-01	4/11/2002	\$ 1,960.00	\$ 1,960.00	
Comments: The diagnosis of other and unspecified injury to knee, leg, ankle and foot was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Ellis, Steven	Courtney	026502330	Various	8/3/01-6/2/03	\$ 4,729.66	\$ 4,729.66	

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Comments: The diagnosis of dislocation of patella, sprain of wrist, unspecified injury of elbow, forearm and wrist was not investigated by Benefirst, causing a missed potential recovery opportunity.							
8	Forrest, Chad	Chad Jr.	136584483	Various	10/2/01-11/6/01	\$ 256.00	\$ 256.00
Comments: The diagnosis of fracture of shaft of radius and ulnar was not investigated by Benefirst, causing a missed potential recovery opportunity.							
9	Forrest, Chad	Jasmyne	136584483	Various	1/21/02-8/8/04	\$ 1,796.05	\$ 1,796.05
Comments: The diagnosis of fracture of distal end of radius was not investigated by Benefirst, causing a missed potential recovery opportunity.							
10	Harkins, Gary	Self	005846818	Various	9/5/2001	\$ 4,992.62	\$ 4,992.62
Comments: The diagnosis of fracture of distal end of radius was not investigated by Benefirst, causing a missed potential recovery opportunity.							
11	Higgins, Ronald	Ronald	001461463	Various	10/17/01-11/5/01	\$968.27	\$968.27
Comments: The diagnosis of closed fracture of other facial bones was not investigated by Benefirst, causing a missed potential recovery opportunity.							
12	Hodgeman, Greg	Kailianne	008628196	30073297-01	3/20/2003	\$670.40	\$670.40
Comments: The diagnosis of closed fracture of other facial bones was not investigated by Benefirst, causing a missed potential recovery opportunity.							
13	Jackson, Gregory	Self	072684550	Various	11/12/2002	\$21,445.66	\$21,445.66
Comments: The diagnosis of retinal detachment with giant tear was not investigated by Benefirst, causing a missed potential recovery opportunity.							
14	Lavelli, Beverly	David	026520982	30017617-01	12/5/2002	\$ 517.40	\$ 517.40
Comments: The diagnosis of open wound of finger was not investigated by Benefirst, causing a missed potential recovery opportunity.							

EXHIBIT II**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
15 Letourneau, Robert	Ryan	008582975	10124392-01	9/27/2001	\$ 455.40	\$ 455.40	
			10124393-01	9/27/2001	\$ 553.50	\$ 553.50	
Comments: The diagnosis of unspecified head injury was not investigated by Benefirst, causing a missed potential recovery opportunity.							
16 Misner, Brian	Amanda	028548788	30060242-01	5/12/2003	\$ 517.40	\$ 517.40	
Comments: The diagnosis of open wound of scalp was not investigated by Benefirst, causing a missed potential recovery opportunity.							
17 Moore, Kenneth	Self	027441662	20060766-01	3/22/2003	\$ 1,377.50	\$ 1,377.50	
			30135443-01	11/25/2003	\$ 598.50	\$ 598.50	
Comments: The diagnosis of concussion and sprain of knee and leg was not investigated by Benefirst, causing a missed potential recovery opportunity.							
18 Stanovich, Jane	Self	014629030	20011035-01	7/31/2001	\$ 702.74	\$ 702.74	
Comments: The diagnosis of sprain of ankle was not investigated by Benefirst, causing a missed potential recovery opportunity.							
19 Stanovich, Jane	Thomas	014629030	Various	10/10/03-11/21/03	\$ 1,341.67	\$ 1,341.67	
Comments: The diagnosis of fracture of distal end of radius was not investigated by Benefirst, causing a missed potential recovery opportunity.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
20	Vault, Fred	Self	009307896	20058684-01	1/8/2002	\$ 2,460.00	\$ 2,460.00
Comments: The diagnosis of tear medial meniscus was not investigated by Benefirst, causing a missed potential recovery opportunity.							
21	Lizotte, Robert	Eleanor	010425321	30118871-01	10/10/2003	\$ 1,520.00	\$ 760.00
			30118873-01	10/10/2003	\$ 760.00		\$ 380.00
Comments: When both an MD and a CRNA bill for anesthesia services, each should receive 50 percent allowance. Both of the above charges had 100 percent allowed.							
22	Bradley, Dennis	Carrie	383963782	40018153-02	1/14/04-1/30/04	\$615.99	\$6.09
Comments: A 10 percent benefit calculation error was made after application of the MultiPlan discount. Allowed was \$684.90 less \$75 copay, reimbursement should have been \$609.90.							
23	Butchko, Edward	Nancey	075721981	30024728-01	12/20/2002	\$ 6,323.41	\$ 2.26
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$6,351.15 less \$30 copay, reimbursement should have been \$6,321.15							
24	Konik, Justin	Jennifer	063642497	30056605-01	4/25/2003	\$ 477.39	\$ 2.27
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$126.28, less \$30 copay, reimbursement should have been \$475.12							
25	Moore, Kenneth	Ashley	027441662	30038613-01	3/5/2003	\$ 631.82	\$ 10.00
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$656.82 less \$15 copay, reimbursement should have been \$641.82, producing an							
26	Nason, Herbert	Self	075303503	10130586-01	9/1/01-9/13/01	\$40,949.14	\$117.67
Comments: The billed amount was entered incorrectly as \$43,434.64 rather than the correct billed amount of \$45,499.04, so that when the 10 percent discount was applied, a \$117.67 underpayment							

EXHIBIT II**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
27 Seavey, Christopher	Stephanie	004848721	30050657-01	4/8/2003	\$ 559.80		\$ 130.62
Comments: The PPO discount was overlooked in the adjudication of the claim.							
28 Tranka, Edward	Kaitlyn	075721981	20082400-01	6/11/2002	\$ 652.52		\$ 1.89
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$675.63 less \$25 copay, reimbursement should have been \$650.63							
29 Vradenburg, Angela	Self	118569614	30068941-01	5/27/2003	\$ 540.23		\$ 2.27
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$567.96 less \$30 copay, reimbursement should have been \$537.96							
30 Aubuchon, Pierre	Self	033223323	30088310-02	6/11/2003	\$ 697.85		\$ 533.65
Comments: Claimant has Medicare coverage as prime; however, charges were paid as primary by Benefirst. Our deduction is based upon the typical Medicare calculation of 80 percent reimbursement of billed which was \$821.00. The 20 percent balance would have been \$164.20, the maximum Benefirst should have paid.							
31 Dailey, Alicia	Mark	009629575	20038249-01	1/4/2002	\$ 900.00		\$ 900.00
			20047058-01	1/4/2002	\$ 180.00		\$ 180.00
Comments: Benefirst notes indicate that the claimant has primary coverage. Primary carrier payment was not considered on any claims.							
32 Larivee, Betty	Self	008305761	Various	2/7/02-11/30/04	\$ 1,138.60		\$ 1,138.60
Comments: Benefirst notes indicate that employee has primary coverage through Blue Cross Blue Shield. Primary carrier payment was not considered on any claims.							

EXHIBIT II**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
33 Lavelli, Beverly	Kathy	026520982	Various	1/25/01-12/27/01	\$ 6,402.76		\$ 6,402.76
Comments: Benefirst notes indicate that the claimant has primary coverage. Primary carrier payment was not considered on any claims.							
34 Lavelli, Beverly	Kathy	026520982	20020278-01	12/31/2001	\$ 884.85		\$ 884.85
Comments: Provider is Henry Heywood Memorial Hospital; however, payment was made to Susan E. Bonadonna, MD. Additionally, claimant has own medical coverage which is primary. Primary carrier payment was not considered on this claim.							
35 Bedard, Samuel	Self	007820809	Various	11/7/03-11/15/04	\$ 307,693.85	\$ 307,693.85	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
36 Bryant, Jeffrey	Self	032646418	Various	12/26/2003	\$ 1,179.64	\$ 1,179.64	
Comments: Eligibility on-line indicates that COBRA was effective 11/20/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
37 Bryant, Jeffrey	Jagger	032646418	Various	12/19/03-3/23/04	\$ 179.00	\$ 179.00	
Comments: Eligibility on-line indicates that COBRA was effective 11/20/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
38 Deschamps, Louis	Self	009288195	Various	8/2/01-9/10/02	\$ 2,025.30		\$ 1,446.70
Comments: Eligibility on-line indicates that COBRA was effective 9/1/02. Medicare is indicated on bills received, and Medicare is primary over COBRA. Therefore, Benefirst should have paid no more than 20 percent of the billed amount of \$2,893.00, or \$578.60.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
39 Deschamps, Louis	Angeline	009288195	Various	8/2/01-6/17/03	\$ 248.60	\$ 248.60	
Comments: Eligibility on-line indicates that COBRA was effective 9/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
40 Kugler, Chester	Self	019325987	Various	10/29/02-4/7/04	\$ 4,100.77	\$ 4,100.77	
Comments: Eligibility on-line indicates that COBRA was effective 7/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
41 McLaughlin, Karen	Self	079386504	Various	7/24/01-8/29/03	\$ 4,491.72	\$ 4,491.72	
Comments: Eligibility on-line indicates that COBRA was effective 5/14/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
42 Morin, Alan	Self	551431850	Various	4/24/02-7/11/02	\$ 1,113.51	\$ 1,113.51	
Comments: Eligibility on-line indicates that COBRA was effective 2/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
43 Nason, Herbert	Self	075303503	Various	9/1/01-1/31/02	\$ 68,995.49	\$ 68,995.49	
Comments: COBRA coverage was effective on 1/31/02. No documentation was submitted confirming COBRA election or payment of COBRA premium payments.							
44 Pierce, Craig	Self	030544747	Various	7/8/02-1/29/04	\$ 6,140.96	\$ 6,140.96	
Comments: Eligibility on-line indicates that COBRA was effective 7/2/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
45 Tomasi, Rhonda	Self	083528568	Various	2/7/02-10/23/02	\$ 15,905.02	\$ 15,905.02	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
46 Williams, Dennis	Self	008286378	Various	5/9/03-10/15/03	\$ 3,268.77	\$ 3,268.77	
Comments: Eligibility on-line indicates that COBRA was effective 3/21/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
47 Aubuchon III, William	Self	033346935	10121343-01	8/2/2001	\$ 1,035.00		\$ 103.50
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
48 Bickford, Marilyn	Self	010217211	30057075-01	6/12/2002	\$ 1,016.00		\$ 101.60
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
49 Desilets, Raymond	Self	001386202	30123697-01	10/2/2003	\$ 864.00		\$ 86.40
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
50 Doyle, Florence	Edward	009500618	40037020-02	3/19/2004	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
51 Eaton, Robert	Self	010526432	30038375-02	2/20/2002	\$ 700.00		\$ 70.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
52 Filio, Joseph	Mary Ellen	048486181	30131988-01	10/31/2003	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Graftam Robert	Debra	007521183	30029404-01	2/3/2003	\$ 900.00		\$ 90.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Haley, Reginald	Self	008345689	20051527-01	4/5/2002	\$ 1,296.25		\$ 129.62
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Kassel, Jeffrey	Self	152484538	30121364-01	8/15/2003	\$ 741.50		\$ 74.15
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Kugler, Chester	Self	019325987	20077905-01	5/31/2002	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Rhone, Brian	Kristal	113729872	10141293-01	8/13/2001	\$ 750.00		\$ 75.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Sullivan, Charles	Judith	033364855	30032119-01	2/7/2003	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Chauvin, Richard	Self	033382809	20092705-01	6/4/02-6/21/02	\$ 996.07		\$ 30.00
Comments: The Plan requires a \$15 copay for each physical therapy visit. Copays were not taken on two claims.							
Doyon, Donald	Self	008405989	20127599-01	11/5/03-11/30/03	\$ 1,111.80		\$ 15.00
Comments: The Plan requires a \$15 copay for each physical therapy visit. The copay was not taken.							

EXHIBIT IIProcedural and Payment Claim Errors
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
61 Murphy, Michael	Self	010605085	20031334-01	1/13/2002	\$ 1,000.56		\$ 25.00
Comments: The Plan requires a \$25 emergency room copay which was not taken on this claim.							
62 Pasierb, Paul	Self	015382401	30043436-01	3/5/03-3/31/03	\$ 506.55		\$ 45.00
Comments: The Plan requires a \$15 copay for each psychotherapy visit. Three copays were not taken.							
63 Shea, William	Phyllis	001344277	20101541-01	7/4/2002	\$ 580.53		\$ 25.00
Comments: The Plan requires a \$25 emergency room copay which was not taken on this claim.							
64 Baker, James	Kim Lapinski	009603842	Various	10/6/01-11/10/03	\$ 2,220.81	\$ 2,220.81	
		20057118-01	2/18/2002		\$ 953.75		\$ 953.75
Comments: The child has a different last name than the employee, and in previous visits to BeneFirst, we asked for verification that she resides with the employee and is eligible to be claimed as a dependent on the employee's Federal Income Tax, as required by the plan. BeneFirst provided a copy of the enrollment form, which shows that the child is enrolled as a step-daughter, but did not provide any further eligibility verification. We asked BeneFirst to obtain confirmation of the child's status for the claimant's Federal Income Tax, and BeneFirst responded they were unable to obtain written verification from the employee, and did not want to pursue it, as the child is deceased. We believe that this claim should not be allowed until eligibility status is verified. In addition, one claim was paid to the wrong provider: to Kathleen Martin, MD, rather than to Fletcher Allen Health Care.							
65 Kingsley, Robyn	Shea Brown	002586874	Various	1/23/02-10/2/03	\$ 5,462.66	\$ 5,462.66	
Comments: This claimant has a different last name than the employee. We found nothing in on-line notes to indicate that the relationship of this dependent to the employee was investigated to confirm eligibility status.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
66	Moore, Kenneth	Ryan Oliveira	027441662	Various	8/8/01-3/10/04	\$ 22,876.31	\$ 22,876.31
Comments: This claimant has a different last name than the employee. We found nothing in on-line notes to indicate that the relationship of this dependent to the employee was investigated to confirm eligibility status.							
67	Nielsen, Brian	Chesley, Elizabeth	005661867	Various	10/1/03-9/15/04	\$ 19,553.24	\$ 19,553.24
Comments: This claimant has a different last name than the employee. We found nothing in on-line notes to indicate that the relationship of this dependent to the employee was investigated to confirm eligibility status.							
68	Bedard, Samuel	Self	007820809	40029226-01	2/29/2004	\$ 1,422.00	\$ 170.64
Comments: Like charges billed by this provider had a 12 percent discount applied; however, this charge was paid at 100 percent of billed. We have applied a 12 percent reduction to the billed amount of \$1,422.00							
69	Duso, Bernard	Julia	078662855	30090833-01	7/31/03-7/31/03	\$ 814.44	\$ 0.44
Comments: PPO discount should have been \$90.44; however, only \$90.00 was taken.							
70	Duso, Bernard	Erika	078662855	20086220-01	5/1/02-12/31/04	\$ 1,200.00	\$ 1,200.00
Comments: This provider is noted as being in-network; however, no discount was taken on this claim and Benefirst did not investigate this discrepancy. We were unable to determine what the discount might have been since we found no other claims for this provider that would allow a comparison.							
71	Archambeault, Gerard	Self	001368023	30064193-02	5/19/2003	\$ 545.60	\$ 545.60
Comments: Although this claim was noted as part of the "documented" transactions, no bill copy was provided.							

EXHIBIT II**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
72 Aubuchon, Thomas	Self	017503470	20004324-01	11/29/2001	\$ 584.80		\$ 584.08
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
73 Beroney, Kenny	Self	002566995	200234713-01	1/2/2002	\$ 635.23		\$ 635.23
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
74 Burgoyne, Raymond	Self	003263723	30101582-01	8/18/03-9/20/03	\$ 22,963.58		\$ 22,963.58
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
75 Lucero, Charles	Self	008628709	20015668-01	1/1/2001	\$ 714.06		\$ 714.06
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
76 Magliacane, Doreen	Self	020582876	20023409-01	1/8/2002	\$ 619.42		\$ 619.42
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
77 Strong, Wayne	Self	089401185	Various	5/30/03-11/19/036	\$ 126,011.59	\$ 126,011.59	
Comments: This claimant had numerous hospitalizations between May and November 2003, and the severity of his diagnosis may indicate that he was not able to be actively-at-work. We believe his coverage continuation status should have been questioned by BeneFirst.							
78 Abbott, Diane	Self	001426120	20049711-01	4/9/2002	\$ 3,188.00		\$ 600.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
79 Downs-Will, Brenda	Self	260271908	20039854-01	1/10/2002	\$ 2,400.00		\$ 400.00

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
80	Herschel, Chad	Self	008488850	30071612-014	6/5/2003	\$ 572.40	\$ 85.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
81	Labeau, Darryl	Courtney	571437672	3020	2/14/2002	\$ 2,000.00	\$ 297.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
82	Labombard, Howard	Marguerite	132420934	30098734-01	8/25/2003	\$ 7,397.00	\$ 1,639.70
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Additionally, the 90 percent coinsurance rate was not applied to this out-of-network claim.							
83	Lapointe, Gregory	Ann Marie	007722723	20051570-01	3/22/2002	\$ 1,321.20	\$ 347.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
84	Lavalley, Joy	Self	058702728	20085675-01	5/30/2002	\$ 1,918.00	\$ 298.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Additionally, the physician's charge for a hospital care visit should have been bundled with the surgical fee.							
85	Magoon Jr, Wendall	Brendan	009642362	30032031-01	2/7/2003	\$ 1,239.05	\$ 104.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
86	Moran, Gregory	Self	013366891	30019214-01	1/13/2003	\$ 1,653.00	\$ 81.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
87	Moran St, Marcus	Self	030073006	20085190-01	8/17/2001	\$ 896.00	\$ 127.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
88	Basque, Pauline	Self	012348682	20023112-01	1/18/02-1/21/02	\$ 3,450.00	\$ 200.00

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
89	Cannell, Robert	Kayla	018548814	20049723-01	2/7/02-2/14/02	\$ 7,318.95	\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
90	Gustin, Robby	Self	005763667	20063136-01	3/25/02-4/1/02	\$ 871.06	\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
91	Labeau, Darryl	Cassidy	571437672-02	20065235-01	4/15/02-4/17/02	\$ 11,881.81	\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
92	Muro, Vincent	Matthew	008384999-02	20063290-01	12/16/01-12/18/01	\$ 1,788.70	\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
93	Shumski, Michael	Self	018467546	10113347-01	7/2/01-7/13/01	\$ 3,060.00	\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification noted in claimant's file.							
94	Andrews, David	Cathy	035422045	20024892-01	9/24/2001	\$ 506.60	\$ 506.60
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
95	Avery, Tamela	Self	074502519	10121510-01	8/14/2001	\$ 1,550.86	\$ 1,550.86

EXHIBIT II**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
96 Burns, Kristi	Self	022563525	20038729-01	2/5/2002	\$ 6,248.01		\$ 6,248.01
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
97 Chamberlain, Nancy	Raymond	008429649	10119384-01	9/4/2001	\$ 2,140.52		\$ 2,140.52
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
98 Ellis, Steven	Courtney	026502330	20028416-01	9/27/01	\$ 523.60		\$ 523.60
			20004356-01	11/1/01-11/13/01	\$ 1,498.00		\$ 1,498.00
			20039069-01	10/15/01-10/31/01	\$ 710.95		\$ 710.95
			20024906-01	12/4/01-12/31/01	\$ 546.00		\$ 546.00
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital. Additionally, physical therapy charges considered without indication of attending physician's orders as required by the Plan.							

EXHIBIT II**Procedural and Payment Claim Errors****W. E. Aubuchon Co., Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
99 Hoag, Jeffrey	Kerri	009582680	20063219-01	5/3/2002	\$ 953.75		\$ 953.75
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
100 Lavelli, Beverly	Kathy	026520982	10119168-01	8/17/2001	\$ 544.00		\$ 544.00
			20028278-01	12/31/2001	\$ 884.85		\$ 884.85
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
101 Machia, Miranda	Self	009603901	10121396-01	9/8/2001	\$ 1,146.45		\$ 1,146.45
			20048201-01	3/25/02-4/8/02	\$ 27,783.24		\$ 27,783.24
			20053727-01	1/18/02-1/22/02	\$ 1,817.52		\$ 1,817.52
			20060440-01	4/20/02-5/7/02	\$ 32,554.40		\$ 32,554.40
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care. Additionally, for the inpatient stay from 4/20/02 through 5/7/02, only six days out of the 17 were precertified; therefore, even if charges had been paid to the correct provider an overpayment of \$13,360.68 was made.							
102 Machia, Miranda	Kyle	009603901	20038992-01	1/18/02-1/22/02	\$ 6,433.49		\$ 6,433.49
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
103	Mattson, Michael	Lori	031547580	10121462-01	9/7/2001	\$ 520.20	\$ 520.20
				10142359-01	10/24/01-10/26/01	\$ 1,890.01	\$ 1,890.01
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
104	Mattson, Michael	Ryan	031547580	10142377-01	10/31/01-11/1/01	\$ 839.80	\$ 839.80
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
105	Patient, Heidi	Self	022609574	10134589-01	10/11/2001	\$ 988.20	\$ 988.20
				10142379-01	10/31/2001	\$ 1,361.70	\$ 1,361.70
				20028087-01	12/27/2001	\$ 598.40	\$ 598.40
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
106	Young, Mark	Self	008528956	20063519-01	4/25/2002	\$ 886.50	\$ 886.50
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
107	Bradley, Dennis	Self	383963782	20041187-01	3/6/2002	\$ 965.00	\$ 123.55
Comments: 90 percent coinsurance was not applied to this out-of-network claim. Additionally, \$30.05 of the 2002 deductible was not satisfied.							
108	Bruno, Steven	Self	043567642	40036912-01	3/13/04-3/15/04	\$ 560.00	\$ 56.00
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
109	Burke, Denise	Self	007664947	20000419-01	7/14/2001	\$ 591.78	\$ 59.18
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							

EXHIBIT II**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
110 Chauvin, Richard	Self	033382809	20103130-01	7/30/2002	\$ 719.00		\$ 71.90
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
111 Hart, Army	Self	065480247	20046910-01	2/12/2002	\$ 871.25		\$ 87.13
			30058406-01	5/2/2003	\$ 585.00		\$ 58.50
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
112 Hart, Army	Winona	065480247	30029432-01	2/14/2003	\$ 1,170.00		\$ 117.00
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
113 Kingsley, Robyn	Shea Brown	002586874	20034250-01	11/30/2002	\$ 795.00		\$ 79.50
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
114 Lacroix, Roger	Self	008500963	20052873-01	1/25/2002	\$ 650.00		\$ 65.00
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
115 Nielsen, Brian	Elizabeth Chesley	005661867	Various	11/9/04-11/24/04	\$ 1,308.50		\$ 1,308.50
Comments: Benefirst on-line notes and eligibility screens indicate that dependent coverage terminated on 9/15/04. These charges were incurred after this termination date.							

EXHIBIT II

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
116 Magliacane, Doreen	Self	020582876	20065363-01	3/4/02-3/31/02	\$ 1,857.15	\$ 1,857.15	
			20060752-01	4/3/02-4/30/02	\$ 532.75	\$ 532.75	
Comments: Physical therapy charges considered without indication of attending physician's orders as required by the Plan.							
Exhibit Totals:					\$915,154.20	\$654,445.65	\$141,350.21

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W. E. Aubuchon Co., Inc.

[illegible]

EXHIBIT III**Procedural and Payment Claim Errors****W. E. Aubuchon Co., Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Archanbeault, Dennis	Andrea	003406732	Various	2002-2004	\$ 11,093.76	\$ 10,681.26	\$ 412.50
<p>Comments: Andrea's address is different than the employee's address. The plan requires that an eligible dependent reside with the employee and be eligible to be claimed as a dependent on the employee's Federal Income Tax. We asked BeneFirst to confirm this claimant's eligibility, and BeneFirst responded that the claimant had requested that her mail be sent to her dorm address as she is a full-time college student. However, student status verification provided by BeneFirst is for Allison, not Andrea. When we questioned BeneFirst further, BeneFirst responded that they could not obtain anything from the employee. We believe that this claimant's claims should not be allowed until her eligibility status is clearly verified. We also identified an overpayment on claim number 30075901-02 of \$412.50 for mis-application of multiple surgery rules.</p>							
Archanbeault, Dennis	Allison	003406732	Various	2002-2004	\$ 4,623.87	\$ 4,623.87	
<p>Comments: In questioning the above claim, we were sent documentation regarding another dependent's student status, Allison, and noted that Allison's address also is different than the employee's address. The plan requires that an eligible dependent reside with the employee and be eligible to be claimed as a dependent on the employee's Federal Income Tax. When we asked BeneFirst to confirm Andrea's eligibility, BeneFirst responded that the claimant had requested that her mail be sent to her dorm address as she is a full-time college student. We confirmed that the school she attends, New Hampshire Community Technical College, does not have dorms. When we questioned BeneFirst further regarding Andrea's eligibility, BeneFirst responded that they could not obtain anything from the employee. We believe that this claimant's claims should not be allowed until her eligibility status is clearly verified.</p>							

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EXHIBIT III**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Ashley, Wayne	Self	009387299	40012934-01	1/12/2004	\$ 9,976.40		\$ 2,542.86
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							
Comments: This claim was the result of a motor vehicle accident. In correspondence provided to BeneFirst, the auto carrier indicated that it made two payments to the hospital, one for \$1,839.75 and one for \$1,968.25. Only the \$1,839.75 was noted on the hospital bill sent to BeneFirst, so BeneFirst ignored the auto carrier's correspondence and only considered the \$1,839.75 in its claim adjudication. In addition, BeneFirst indicated that it did not pursue identification of other auto insurance recovery, such as from Uninsured/Underinsured Motorist (UM) or Bodily Injury (BI) coverages. At the very least, this claim is overpaid by \$1,968.75, and further recovery might have been possible had BeneFirst pursued the information.							
5	Aumand, Patrick F. Sr.	Ryan	008429685-03	20074786-01	12/23/2001	\$ 4,248.85	
				20074792-01	1/24/2002	\$ 990.38	
				20074794-01	4/2/2002	\$ 990.38	\$ 4,260.86
						\$	1,968.75

EXHIBIT III

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

[illegible]

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Bradley, Dennis	Carrie	383963782	40004486-01	01/02-03/2004	\$ 3,163.00		\$ 316.30
Comments: 90% coinsurance was not applied to this out-of-network claim. BeneFirst agrees.							
Brea, Leo	Self	556277217-00	20031825-01	1/17/2005	\$70.00		\$70.00
Comments: This claim is a follow-up to surgery on 01/16/02, CPT code 63030. Usual, customary and reasonable guidelines (UCR) published by MediCode indicate that any follow-up within 90-days of surgery is included in the surgical fee. Therefore, we believe that this visit should not have been allowed. BeneFirst responded that "Nothing in the CPT book says that 63030 can't have a follow-up visit." We agree. The CPT book does not include considerations of UCR. We asked BeneFirst to check our reference source, MediCode, a UCR reference guide, but they did not.							
Brea, Leo	Self	556277217-00	20032128-01	1/24/2002	\$22.00		\$22.00
Comments: This claim is a follow-up to surgery on 01/16/02, CPT code 63030. Usual, customary and reasonable guidelines (UCR) published by MediCode indicate that any follow-up within 90 days of surgery is included in the surgical fee. Therefore, we believe that this visit should not have been allowed. BeneFirst responded that "Nothing in the CPT book says that 63030 can't have a follow-up visit." We agree. The CPT book does not include considerations of UCR. We asked BeneFirst to check our reference source, MediCode, a UCR reference guide, but they did not.							

EXHIBIT III

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

[illegible]

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Duso, Bernard	Julia	078662855	30092113-01	8/12/2003	\$ 3,036.00		\$ 483.60
Comments: \$200 deductible and 90% coinsurance were not applied to this out-of-network claim. Benefirst agrees.							
Feldmus, Aaron	Delaney Keller	006689109-03	Various	07/01/04-12/31/04	\$ 3,535.53		\$ 3,535.53
Comments: This claimant has a different last name than employee, and claims show she has a different address. We asked Benefirst to provide details of the relationship of the claimant to the employee, and Benefirst responded "enrollment states she is his daughter." Benefirst did not explain why she has a different last name and different address. Because the Aubuchon plan requires that, to be eligible, dependents reside with the employee, we believe these claims are not eligible.							
Hart, Army	Self	065480247	30059164-01	5/2/2003	\$ 3,975.00		\$ 577.50
Comments: \$200 deductible and 90% coinsurance were not applied to this out-of-network claim. Benefirst agrees.							
Herschel, Chad	Dekota Rain	008488850	40054294-01	5/10/2004	\$ 4,152.26		\$ 381.71
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.							

EXHIBIT III

Procedural and Payment Claim Errors

-W. E. Aubuchon Co., Inc.

[illegible]

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
23	House, Jamey	Indigo	005729454-01	Various	07/01/02-06/30/03	\$ 7,405.92	\$ 7,405.92
Comments: The claimant was effective 03/01/02, and had a tonsilectomy on 05/21/02. BeneFirst never confirmed prior creditable coverage or performed a preexisting condition investigation. Therefore, the claim could be overpaid.							
24	Johnson, Gary	April	017486347	30040897-02	3/10/2003	\$ 4,798.80	\$ 531.90
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							
25	Johnson, Kenneth P.	Self	007501866	40013331-01	12/17/2003	\$ 8,440.04	\$ 19.16
Comments: BeneFirst received a refund from the provider for \$44.72, for a \$63.88 recovery obtained by a company identified as "AIM," who kept a \$19.16 commission. We asked BeneFirst who AIM was and why they sent a refund on this claim. BeneFirst replied that they had no idea. Since neither BeneFirst nor Aubuchon authorized this company to take a commission on this recovery, we do not believe that commission should not have been allowed.							
26	Joseph, Troy	Shannon	009420870	20107231-01	8/13/2002	\$4,336.57	\$200.00
Comments: BeneFirst confirmed that a precertification penalty was taken in error on this claim, producing an underpayment.							
27	Labonbard, Howard	Marguerite	132420934	40052345-01	5/3/2004	\$ 3,210.00	\$ 321.00
Comments: 90% coinsurance was not applied to this out-of-network claim. BeneFirst agrees.							
28	Larson-Moran, Denise	Self	031404523-00	40094422-01	9/14/2004	\$ 3,205.00	\$ 262.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Letourneau, Robert D.	Tanya	008582975	30094034-01	8/13/2003	\$ 2,050.00		\$ 205.00
Comments: 90% coinsurance was not applied to this out-of-network claim. Benefirst agrees.							
Letourneau, Robert D.	Tanya	008582975	30094032-01	8/13/2003	\$ 6,060.82		\$ 606.08
Comments: 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.							
Magoun, Wendell Jr.	Cameron	009642362-01	20125137-02	11/27/2002	\$ 330.00		\$ 330.00
Comments: This claim is for an assistant surgeon. MediCode UCR indicates that a surgical assist is not warranted for procedure 67311 and 67314. Therefore, we believe that the claim should have been denied. Benefirst responded that "Nothing in the CPT book says that an assistant is not warranted for this surgery." We agree. The CPT book does not include considerations of UCR. We asked Benefirst to check MediCode, a UCR reference guide, as we did, but they did not.							
McCarthy, Carol A.	John	014407451-S	Multiple	6/26/1905	\$ 51,164.97		\$ 17,425.59
Comments: The plan allows 45 days for inpatient treatment of mental/nervous claims. The claimant was confined for 66 days, and Benefirst did not cut the benefits at 45 days. Benefirst agrees the claim was overpaid, but stated that it paid for 64 days not 66. However, Benefirst did not explain its calculation of 64 versus 66 days, so our deduction is based upon 66 days, with 21 days in excess of the limit.							
McKirryher, Bradford	Self	008347496-01	40106841-01	10/4/2004	\$ 8,325.00		\$ 1,300.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.							

EXHIBIT III

Procedural and Payment Claim Errors

W. E. Aubuchon Co., Inc.

[illegible]

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Moore, Kenneth	April	027441662-S	30037139-01 30035102-01 30037140-01 30037141-01 30045564-01	02/26-28/03 2/26/2003 2/26/2003 2/26/2003 2/26/2003	\$ 3,752.00 \$ 1,190.00 \$ 1,800.00 \$ 346.40 \$ 360.00		\$ 3,752.00 \$ 1,190.00 \$ 1,800.00 \$ 346.40 \$ 360.00
Comments: Benefirst's utilization review vendor, Med-Value, issued a determination that the proposed surgery as reflected in these claims was not medically necessary. Benefirst's explanation as to why the claim was paid is that the "examiner was never given the denial from Med-Value and the notes were not put in the system to deny."							
36	Moran, Gregory	Self	013366891	40020440-01	12/26/2003	\$ 4,512.00	\$ 375.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.							
37	Moran, Gregory	Self	013366891	40033936-01	12/24/2003	\$ 3,753.60	\$ 832.20
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.							
38	Moran, Gregory	Self	013366891	40050033-01	3/1/2004	\$ 2,667.20	\$ 585.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.							

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
39	Moran Sr., Marcus	Claire	030073006	40018908-01	8/27/2003	\$ 2,465.60	\$ 500.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							
40	Moran, Marcus III	Jennifer	011522237-S	20109861-01	9/16/2002	\$ 3,100.00	\$ 400.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							
41	O'Neill, Susan	Samantha Murray	020524272-01	Various	07/01/02-06/30/03	\$ 21,180.05	\$ 17,305.05
Comments: BeneFirst never investigated potential coordination of benefits from the father's insurance. In addition, the plan requires that, to be eligible, a dependent must reside with the employee. BeneFirst confirmed that this claimant lived with her grandparents. Therefore, we believe that no claims paid for this claimant should be allowed. Regardless, an overpayment of \$3,875.00 was made because only 15 days of the 19-day confinement from 11/13/02-12/02/02 was authorized. BeneFirst agrees that the hospital claim was overpaid.							
42	Pederson, Louise B.	Stephanie	040626217	40009635-01	12/8/2003	\$ 2,600.00	\$ 2,600.00
Comments: These claims were originally denied for accident details, and then released for no apparent reason because accident details were never obtained. BeneFirst agrees that claims of this dollar amount should not have been paid without accident details.							
			30129948-01	12/08-11/2003	\$ 8,971.34		\$ 8,971.34

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Schmid, Frank	Self	086402380-00	Various	07/01/04-12/31/04	\$ 6,286.87	\$ 6,286.87	
Comments: The claimant was effective 12/01/03, and had claims in June of 2004. Benefirst never confirmed prior creditable coverage or performed a preexisting condition investigation. Therefore, the claim could be overpaid.							
Shapiro, Larry	Jayne	108429234	40018932-01	2/4/2004	\$ 2,875.50		\$ 1,087.65
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees..							
Spears, Glen	Joy	009423952	40062272-01	3/19/2004	\$ 3,290.50		\$ 1.14
Comments: An error was made in applying the primary carrier's payment when calculating benefits as secondary payor. Benefirst believes that, due to the small amount of the overpayment, the error should be disregarded.							

EXHIBIT IIIProcedural and Payment Claim Errors
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Spears, Glenn	Joy	009423952	Various	07/01/04-12/31/04	\$ 61,077.70	\$ 61,077.70	
<p>Comments: This claimant has her own health plan, which is primary over Aubuchon's plan. Industry standards for coordinating benefits are that, when the secondary plan adjudicates the claim, the secondary plan calculates benefits as it would have done if it was primary, applying PPO discounts, deductibles, coinsurance, and the like, and then subtracts the primary plan payment to determine the net benefit payable. For example, for a \$1,000 bill with a \$200 PPO discount, the Aubuchon plan's 100 percent benefit would be \$800. If the primary plan paid \$500, the net payable under Aubuchon's plan is \$300, with \$200 not the patient's liability as the PPO discount. BeneFirst did not use this method to calculate the secondary plan's liability. Instead, BeneFirst took the full billed amount, deducted the primary plan payment, and paid the full balance, regardless of the secondary plan's actual benefit limits. We believe that this incorrect procedure resulted in multiple overpayments on the Aubuchon plan, and we show as an error the full amount paid for this claimant until BeneFirst recalculates all claims with the correct coordination of benefit.</p>							
St. Cyr, Janice	Roger	026320778-S	20120103-01	6/6/2002	\$ 3,234.73		\$ 3,234.73
<p>Comments: BeneFirst was unable to locate a copy of this claim. Therefore, the claim is overpaid, because BeneFirst cannot provide the supporting documentation to confirm that its actions in adjudicating this claim were accurate.</p>							

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W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
St. Pierre, Thomas	Susan	021404783	40018891-01	1/13/2004	\$ 2,566.00		\$ 622.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							
Valeski, Stephen	Self	015486840-00	Various	07/01/04-12/31/04	\$ 77,367.46	\$ 37,491.46	\$ 39,876.00
Comments: Because of the nature of this claimant's condition and the volume of claims, we questioned whether the claimant was actually working 40 or 47 hours per week, as required by the plan. BeneFirst's response to our question was "you have to get that from Aubuchon." Until the claimant's actively-at-work status was clarified, we believe that none of the claims were eligible. As a separate issue, the claimant's Medicare coverage became primary as of 08/01/04, but \$39,876 was paid with no coordination of benefits with Medicare. BeneFirst advised that "refund requests were made for those claims" but did not provide details of the amount or status of refund requests. Until this is provided, we believe that at least \$39,876.00 is overpaid on this claimant.							
Viault, Fred	Joan	009307896	40004870-02	12/17/2003	\$ 2,619.00		\$ 886.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.							
Wilcox, Craig	Donna	086461184	40013624-01	1/15/2004	\$ 2,500.00		\$ 430.00
Comments: \$200 deductible and 90% coinsurance were not applied to this out-of-network claim. BeneFirst agrees.							

EXHIBIT III**Procedural and Payment Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors
Wylie, Donald	Self	77606521	30056964-01	5/6/2003	\$ 2,323.50	\$ 312.90
Comments: Out-of-network benefits not applied for this non-contracted provider and multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.						
53 Young, Philip R.	Self	002468828-00	30043766-01	3/14/2003	\$ 5,245.41	\$ 5,245.41
			30043768-01	3/14/2003	\$ 1,960.00	\$ 1,960.00
			30043776-01	3/14/2003	\$ 1,240.00	\$ 1,240.00
			30050885-01	3/14/2003	\$ 34.00	\$ 34.00
Comments: BeneFirst never investigated the origin of the diagnosis of these back surgery claims to determine if there was a potential for other party liability or subrogation recovery.						
Exhibit Totals:					\$503,885.05	\$172,632.42
						\$189,182.37

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UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON
DISTRIBUTION, INC., W.E. AUBUCHON
CO. INC. EMPLOYEE MEDICAL
BENEFIT PLAN, and AUBUCHON
DISTRIBUTION, INC. EMPLOYEE
MEDICAL BENEFIT PLAN
Plaintiffs,

v.

BENEFIRST, LLC,
Defendant.

C.A. No. 05-40159FDS
(Louis M. Ciavarra. BBO# 546481)
(Ryan T. Killman BBO# 654562)
(Colleen E. Cushing BBO# 663498)

**PLAINTIFF AUBUCHON DISTRIBUTION, INC.'S SUPPLEMENTAL
ANSWERS TO INTERROGATORIES**

GENERAL OBJECTIONS

1. Plaintiff Aubuchon Distribution, Inc. ("Plaintiff"), objects to each and every Interrogatory to the extent that it seeks information and/or materials privileged from discovery by the attorney-client privilege and/or the attorney work-product doctrine.

2. Plaintiff objects to each and every Interrogatory to the extent that it seeks information which is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

3. Plaintiff objects to each and every Interrogatory to the extent that it is overly broad and/or unduly burdensome.

4. Plaintiff objects to each and every Interrogatory to the extent that it is vague and ambiguous.

5. Plaintiff objects to each and every interrogatory to the extent that it purports to

establish a continuing duty to supplement, or seeks to impose a duty beyond those imposed by the Federal Rules of Civil Procedure.

6. Each of the General Objections shall be deemed to apply to each of Defendant's separate Interrogatories.

ANSWERS

Interrogatory No. 1

Please identify the person answering and signing these interrogatories, including name, age, residence address, occupation, business address, job title, and the relationship and capacity of such person to the Plan.

Answer No. 1

Sarah Q. Arel, Benefits Manager, W.E. Aubuchon Co., Inc., 95 Aubuchon Drive, Westminister, Massachusetts 01473-0473.

Interrogatory No. 2

State the full name and current residence address for each person who has knowledge of any of the Plaintiff's claims against BeneFirst, and for each such person, describe your understanding of the subject of their knowledge and what they know.

Answer No. 2

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it seeks information and/or materials which are privileged from discovery pursuant to the attorney-client privilege and/or the work product doctrine. Plaintiff further objects to this Interrogatory on the grounds that it is overly broad, vague and ambiguous. Notwithstanding and without waiving the foregoing objections, Plaintiff states as follows:

M. Marcus Moran, Jr., President and Treasurer of W.E. Aubuchon Co. Inc., 95 Aubuchon

Street, Westminister, MA. 01473, has knowledge regarding the retention of BeneFirst, LLC as Third Party Administrator and BeneFirst, LLC's wrongful acts and omissions consisting of breach of the Administrative Services Agreement (the "Agreement") and the negligent delivery of services under the W.E. Aubuchon Co. Inc. Employee Medical Benefit Plan and Aubuchon Distribution, Inc. Employee Medical Benefit Plan (the "Plans").

Sarah Q. Arel, Benefits Manager of W.E. Aubuchon Co. Inc., 95 Aubuchon Street, Westminister, MA 01473, has knowledge regarding the retention of BeneFirst, LLC as Third Party Administrator and BeneFirst, LLC's wrongful acts and omissions consisting of breach of the Agreement and the negligent delivery of services under the Plans.

Charles T. Dobens, 30 Parkers Grove Lane, Duxbury, MA, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Carrie Reddie, formerly of BeneFirst, LLC, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Paul Sullivan, formerly of BeneFirst, LLC, upon information and belief, has knowledge of the mishandling of plan participants' claims by BeneFirst, LLC.

Sandra Schnabel of BP, Inc., 6160 Summit Drive, Brooklyn Center, MN, upon information and belief, has knowledge regarding excess insurance coverage issues relating to the payment of claims made by plan participants and the effect of BeneFirst, LLC's mishandling of said claims on Plaintiff's excess insurance.

Adria L. Garneau, CEBS, of Northshore International Insurance Services, 199 Rosewood Drive, Danvers, MA 01923, has knowledge regarding the mishandling of plan participants' claims by BeneFirst, LLC.

Charles S. Lord, of the Chittenden Insurance Group, Burlington, Vermont, upon information and belief, has knowledge regarding the retention of BeneFirst, LLC as Third Party

Administrator and BeneFirst, LLC's wrongful acts and omissions consisting of breach of the Agreement and the negligent delivery of services under the Plans

Interrogatory No. 3

Identify and describe the role of:

- a. all persons who participated or played any role in negotiating the Plan's retention of BeneFirst as the plan's administrator;
- b. all persons who participated or played any role in the administration or management of the Plan during any year BeneFirst administered the Plan.

Answer No. 3

- a. Sarah Q. Arel, M. Marcus Moran, Jr., and Charles S. Lord participated in negotiating the retention of BeneFirst, LLC as Third Party Administrator.
- b. Sarah Q. Arel participated in the administration and/or management of the W.E. Aubuchon Co. Inc. Employee Medical Benefit Plan and Aubuchon Distribution Inc. Employee Medical Benefit Plan while BeneFirst, LLC served as Third Party Administrator of said Plans.

Interrogatory No. 4

Please identify the plan years that are at issue in your complaint.

Answer No. 4

Plaintiff states that its Complaint alleges damages relating to negligent acts and/or omissions by BeneFirst, LLC, as Third Party Administrator, during each year in which BeneFirst, LLC was Third Party Administrator, 2001-2002. However, whereas discovery is ongoing in this matter and Plaintiff has been delayed by Defendant's failure to provide it with data necessary to conduct a full audit of all claims administered by BeneFirst, LLC, Plaintiff reserves the right to supplement this Answer if and when it discovers negligent acts and/or omissions by BeneFirst, LLC relating to claims made in other years.

Interrogatory No. 5

Do you contend that the defendant improperly paid claims for **ineligible procedures, services, or benefits**? If so, for each such claim, identify each such claim by claimant, date of claim, claim number, amount paid, and description of procedure/service/benefit, and state why you contend the procedure/service/benefit was ineligible.

Answer No. 5

Yes. Plaintiff alleges that BeneFirst, LLC, through its negligent acts and omissions failed to properly investigate and pay plan participants' claims in violation of the Agreement, the express provisions of the respective plans, industry-wide third party administrator processing guidelines, and BeneFirst, LLC's own policies and procedures. Further answering, Plaintiff states that discovery is ongoing and Plaintiff has been delayed in conducting a full audit of all claims under the Plans by BeneFirst, LLC's failure to provide Plaintiff with all relevant data, Plaintiff reserves the right to supplement this Answer after it conducts an audit of claims handled by BeneFirst in connection with the Aubuchon Distribution, Inc. Employee Medical Benefit Plan and if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Supplemental Answer No. 5

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to "improperly paid claims for ineligible procedures, services, or benefits" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has improperly paid claims for ineligible procedures, services, or benefits and refers to Exhibit I and Exhibit II (No. 18).¹

Further answering, Plaintiff states that while discovery is ongoing and where BeneFirst, LLC has failed to comply with the Court's Order of February 6, 2007, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 6

Do you contend that the defendant improperly paid claims for **persons ineligible to receive benefits**? If so, for each such claim, identify each such claim by claimant, date of claim, claim number, amount paid, and description of procedure/service/benefit, and state why you contend the claimant was ineligible.

¹ It should be noted that when reviewing Exhibit II, "Processing Errors" indicate instances where BeneFirst, LLC failed to properly investigate a claim or claims. The failure to sufficiently investigate a claim constitutes an improper adjudication of that claim. "Payment Errors" are those where BeneFirst, LLC made improper payments.

Answer No. 6

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 6

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to "improperly paid claims for persons ineligible to receive benefits" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has improperly paid claims for persons ineligible to receive benefits and refers to Exhibit I and Exhibit II (Nos. 2-7).

Further answering, Plaintiff states that while discovery is ongoing and where BeneFirst, LLC has failed to comply with the Court's Order of February 6, 2007, Plaintiff reserves the right

to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 7

Do you contend that the defendant paid **duplicate** claims? If so, identify each such claim by claimant, claim number, amount paid, and description of procedure/service/benefit, and the date(s) such payments were made, and state why you believe the payment(s) were duplicates.

Answer No. 7

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 7

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to instances where BeneFirst "paid duplicate claims" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider

bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

BeneFirst, LLC may have paid duplicate claim s. Plaintiff refers to Exhibit I, which references 61 claims for which BeneFirst, LLC has failed to produce supporting documentation.

Further answering, Plaintiff states that while discovery is ongoing and where BeneFirst, LLC has failed to comply with the Court's Order of February 6, 2007, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 8

Do you contend that the defendant paid **improper amounts** for claims? If so, identify each such claim by claimant, date of claim, claim number, amount paid, and description of procedure/service/benefit, and state the amount you believe should have been paid and the basis for your contention.

Answer No. 8

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 8

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to instances where BeneFirst "paid improper amounts for claims" where BeneFirst, LLC's improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has

resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Yes, BeneFirst, LLC has paid improper amounts for claims and refers to Exhibit I and Exhibit II (Nos. 1, 8-11).

Further answering, Plaintiff states that while discovery is ongoing and where BeneFirst, LLC has failed to comply with the Court's Order of February 6, 2007, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 9

Do you contend that the defendant improperly calculated applicable **deductibles**? If so, identify relevant claims by claimant, date of claim, claim number, description of procedure/service/benefit, and the deductible that was applied, the deductible that you believe should have been applied and the basis for your contention.

Answer No. 9

Yes. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 9

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is limited to instances where BeneFirst “improperly calculated applicable deductibles” where BeneFirst, LLC’s improper claims adjudication falls outside the scope of that specific category. Further, BeneFirst, LLC has failed to comply with the Court’s (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to “produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs” BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court’s Order.

BeneFirst, LLC’s failure to comply with the Court’s Order of February 6, 2007, has resulted in Plaintiff having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of the claims for which BeneFirst, LLC has failed to provide supporting records, which include “provider bills.” Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer

BeneFirst, LLC may have improperly calculated applicable deductibles. Plaintiff refers to Exhibit I, which references 61 claims for which BeneFirst, LLC has failed to produce supporting documentation.

Further answering, Plaintiff states that while discovery is ongoing and where BeneFirst, LLC has failed to comply with the Court’s Order of February 6, 2007, Plaintiff reserves the right to supplement this Answer if and when it discovers other wrongful or negligent acts in the

administration of the above-referenced Plans by BeneFirst, LLC.

Interrogatory No. 10

Do you contend that your stop loss policy **premiums** were affected by anything done by the defendant? If so, describe the basis for your contention that your premiums were so affected and the amounts to which they were affected.

Answer No. 10

Yes. Because premiums are impacted by loss history, the fact that Plaintiff's losses appeared greater than they actually were increased Plaintiff's premium. Plaintiff does not know yet the extent of that loss. Whereas discovery is ongoing in this matter, Plaintiff reserves the right to supplement this Answer in the future.

Supplemental Answer No. 10

Plaintiff does not contend that its stop loss policy premiums were affected.

Interrogatory No. 11

Do you contend that you have been damaged by any other act, error, or omission on the part of BeneFirst that has not been described in your response to a preceding interrogatory? If so, describe the nature of said act, error, or omission.

Answer No. 11

Plaintiff is unaware of any damages by any other act, error, or omission on the part of BeneFirst, LLC other than those referenced in Plaintiff's Answer to Interrogatory No. 5. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers any other act, error, or omission on the part of BeneFirst that has not been described in Plaintiff's Answers to the preceding interrogatories.

Supplemental Answer No. 11

OBJECTION: Plaintiff objects to this Interrogatory on the grounds that BeneFirst, LLC

has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records relating to 1,882 of the 2,991 claims subject to the Court's Order. BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiffs having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of Plaintiff's employees' claims for which BeneFirst, LLC has failed to provide supporting records, which include "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Plaintiff is unaware of any damages by any other act, error, or omission on the part of BeneFirst, LLC other than those referenced in Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers any other act, error, or omission on the part of BeneFirst, LLC that has not been described in Plaintiff's Answers to these interrogatories.

Interrogatory No. 12

If you contend that any act, error or omission by BeneFirst constituted a breach of contract, identify the contract at issue, the specific language of the contract you contend was breached, and how BeneFirst breached that contractual language.

Answer No. 12

Plaintiff claims that BeneFirst, LLC breached the Agreement. Plaintiff states that BeneFirst, LLC breached Section I(B)(1) which provides that “the Plan Administrator, as Agent of the Plan Sponsor, shall:... [p]ay plan benefits in its usual and customary manner subject to and in accordance with this Agreement to or on behalf of persons entitled to receive plan benefits...” Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers other contract provisions which were breached as a result of the acts or omissions of BeneFirst, LLC in connection with its administration of the above-referenced Plans. In further response to this Interrogatory, Plaintiff refers to its Answer to Interrogatory No. 5.

Supplemental Answer No. 12

Plaintiff claims that BeneFirst, LLC breached the Agreement. Plaintiff states that BeneFirst, LLC has breached the following provisions of the Agreement:

Section I(B)(1) which provides:

The Plan Administrator, as Agent of the Plan Sponsor, shall:... [p]ay plan benefits in its usual and customary manner subject to and in accordance with this Agreement to or on behalf of persons entitled to receive plan benefits....

Section I(B)(3): which provides:

The Plan Administrator, as Agent of Plan Sponsor, shall... [m]aintain, for the duration of this Agreement and for two (2) years thereafter, adequate records of all transactions between Plan Sponsor, the Plan Administrator and plan participants. The records are the property of the Plan Sponsor. The Plan Sponsor has the right to continuing access to their records.

Section IV(C) which provides:

If it is determined that any payment has been made under this Agreement to an ineligible employee or dependent, or if its determined that more or less than the correct amount has been paid by the Plan Administrator, the Plan Administrator will make a diligent effort to recover the payment made to an ineligible person but,

the Plan Administrator will not be required to initiate court proceedings for any such recovery.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers other contract provisions which were breached as a result of the acts or omissions of BeneFirst, LLC in connection with its administration of the above-referenced Plans. In further response to this Interrogatory, Plaintiff refers to its Supplemental Answers to Interrogatory Nos. 5-9.

Interrogatory No. 13

Do you claim that BeneFirst was a fiduciary for purposes of ERISA with respect to the Plan for any given year identified in your response to interrogatory number 4? If so, please state:

- a. the year or years;
- b. the aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary;
- c. the damages you allegedly suffered as a result; and
- d. the factual basis for these assertions.

Answer No. 13

Yes.

- a. 2001-2002.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Answer to Interrogatory No. 5.
- d. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 13

Yes.

- a. 2001 - 2002.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and 17 and Exhibits I -II.
- d. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and 17 and Exhibits I -II.

Interrogatory No. 14

Do you claim that BeneFirst had discretionary authority with respect to the Plan or any aspect of it for any given year identified in your response to interrogatory number 4? If so, please state:

- a. the year or years;
- b. the aspects of the Plan's management, operation or administration for which BeneFirst exercised discretionary authority;
- c. the damages you allegedly suffered as a result; and
- d. the factual basis for these assertions.

Answer No. 14

Yes.

- a. 2001-2002.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective

Summary Plan Descriptions.

- c. Please refer to Plaintiff's Answer to Interrogatory No. 5.
- d. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Supplemental Answer No. 14

Yes.

- a. 2001 - 2002.
- b. The aspects of the Plan's management, operation or administration for which BeneFirst was a fiduciary are outlined in the parties' Agreement and the respective Summary Plan Descriptions.
- c. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and 17 and Exhibits I -II.
- d. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and 17 and Exhibits I -II.

Interrogatory No. 15

Do you claim that BeneFirst committed breaches of fiduciary duty with respect to the Plan for the given year identified in your response to interrogatory number 4? If so, please state:

- a. the year or years;
- b. the exact acts by BeneFirst which constituted such breaches;
- c. the damages you allegedly suffered as a result; and
- d. the factual basis for these assertions.

Answer No. 15

Yes.

- a. 2001-2002.
- b. BeneFirst breached its fiduciary duty to Plaintiff by improperly performing its

responsibilities as Third Party Administrator and erroneously paying claims as described in Plaintiff's Answer to Interrogatory No. 5.

c. Please refer to Plaintiff's Answer to Interrogatory No. 5.

d. Please refer to Plaintiff's Answer to Interrogatory No. 5.

Further answering, Plaintiff states that discovery is ongoing and Plaintiff has been delayed in conducting a full audit of all claims under the Plans by BeneFirst, LLC's failure to provide Plaintiff with all relevant data, Plaintiff reserves the right to supplement this Answer after it conducts an audit of claims handled by BeneFirst in connection with the Aubuchon Distribution, Inc. Employee Medical Benefit Plan and if and when it discovers further breaches of fiduciary duty and/or other damages suffered as a result of BeneFirst, LLC's breaches of fiduciary duty in connection with its administration of the above-referenced Plans.

Supplemental Answer No. 15

Yes.

a. 2001 - 2002.

b. BeneFirst breached its fiduciary duty to Plaintiff by improperly performing its responsibilities as Third Party Administrator and failing to investigate and/or erroneously paying claims as more specifically described in Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9.

c. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and 17 and Exhibits I -II.

d. Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and 17 and Exhibits I -II.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further breaches of fiduciary duty and/or

other damages suffered as a result of BeneFirst, LLC's breaches of fiduciary duty in connection with its administration of the above-referenced Plans.

Interrogatory No. 16

How and when did you first discover the acts, errors, or omissions previously discussed in your answers to the preceding interrogatories?

Answer No. 16

Plaintiff first discovered BeneFirst, LLC's acts, errors, and/or omissions after receiving a report from Plaintiff's excess insurance carrier on or about April 22, 2005, regarding certain acts, errors, and/or omissions by BeneFirst, LLC in connection with the administration of the W.E. Aubuchon Co, Inc. Employee Medical Benefit Plan.

Interrogatory No. 17

For each category of acts, errors or omissions you have discussed in your response to any of the preceding interrogatories, state the damages you claim to have sustained, and describe the method or basis used to calculate your damages.

Answer No. 17

Please refer to Plaintiff's Answer to Interrogatory No. 5. Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further damages suffered as a result of BeneFirst, LLC's errors and omissions in connection with its administration of the above-referenced Plans.

Supplemental Answer No. 17

OBJECTION: Plaintiff objects to this Interrogatory on the grounds that BeneFirst, LLC has failed to comply with the Court's (Hillman, J.) February 6, 2007 Order which required BeneFirst, LLC to "produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs" BeneFirst, LLC has only produced claims records

relating to 1,882 of the 2,991 claims subject to the Court's Order.

BeneFirst, LLC's failure to comply with the Court's Order of February 6, 2007, has resulted in Plaintiffs having insufficient documentation to conduct a full audit and therefore Plaintiff is unable to provide a complete Answer to this Interrogatory. Plaintiff refers to Exhibit I attached hereto which reflects all of Plaintiff's employees' claims for which BeneFirst, LLC has failed to provide supporting records, including: "provider bills." Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. Such undocumented claims represent claim errors since BeneFirst, LLC cannot produce the provider bills that would allow affirmation of accurate adjudication. Notwithstanding and without waiving the foregoing objections, Plaintiff provides the following Answer:

Please refer to Plaintiff's Supplemental Answers to Interrogatory Nos. 5-9 and Exhibits I-II. Notwithstanding the woefully insufficient documentation produced by BeneFirst, LLC and the limited audit sample, to date Plaintiff has determined that BeneFirst, LLC has overpaid or underpaid claims totaling \$17,196.84; BeneFirst, LLC has insufficiently investigated and thus improperly adjudicated claims totaling \$48,044.88; and have undocumented claims totaling \$116,485.86.

Further, Plaintiff's position is that based on a statistically sound extrapolation of the value of errors reflected in Exhibits I and II² against the total amount of claims paid in the audit population, BeneFirst, LLC's claim errors total \$289,095.56. This amount was arrived at by adding together the total values of Payment Errors, Procedural Errors and Undocumented Claims, subtracting that amount from the total dollar amount of claim payments audited, dividing that

² Exhibits I and II reflect the results of Plaintiff's audit conducted in September/October, 2007 which was based on BeneFirst, LLC's incomplete document production.

amount by the total dollar amount of claim payments audited, subtracting that amount from 100% and multiplying that figure by the total dollars paid for the audit population.

Each documented claim transaction was examined to determine adjudication accuracy, including the following: 1) Claimant eligibility verification; 2) Detection of duplicate claim payments; 3) Verification of creditable coverage or application of preexisting conditions limitations, if applicable; 4) Recognition of negotiated provider discounts; 5) Detection of other insurance coverage; 6) Application of coordination of benefits provisions; 7) Application of Plan design provisions; 8) Calculation of benefit payments amounts; and 9) Completeness of file documentation and information to process claims.

Further answering, Plaintiff states that since discovery is ongoing, Plaintiff reserves the right to supplement this Answer if and when it discovers further damages suffered as a result of BeneFirst, LLC's errors and omissions in connection with its administration of the above-referenced Plans.

Interrogatory No. 18

Identify your stop loss insurers for the Plan from 5 years before the first plan year that you identified as a response to Interrogatory #4 up to the present, and for each policy year, identify the applicable premium rate, the number of employee and family units covered, and any applicable aggregate factors that applied on a per employee or per family basis.

Answer No. 18

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is overly broad, unduly burdensome and vague. Plaintiff further objects to the term "applicable aggregate factors," which is vague and undefined. Plaintiff will limit its Answer to the plan years at issue in this action. Notwithstanding and without waiving the foregoing objections, Plaintiff states the following:

For the plan year 2001-2002 the stop loss insurer was BCS Underwriters. The annual specific premium was \$75,394.92. The annual aggregate premium was \$15,633.00. The policy covered 13 single and 54 family units. In further response to this Interrogatory, Plaintiff refers to insurance materials produced pursuant to Fed.R.Civ.P. 33(d).

Interrogatory No. 19

Have you ever had any communications with any representative of BeneFirst regarding any of the acts, omissions, or errors identified in any of your answers to the foregoing interrogatories? If so, please identify when the conversation occurred, how it took place (i.e. telephone, e-mail, mail, face to face, etc.), who the parties to the conversation were, and the substance of the conversation.

Answer No. 19

No.

Interrogatory No. 20

Please state what actions have been taken by you to mitigate the damage sought by you in this lawsuit, the date any such actions were taken, and the results of said action.

Answer No. 20

Plaintiff changed its Third Party Administrator prior to discovering any acts, errors, and/or omissions by BeneFirst, LLC, due to union negotiations.

Interrogatory No. 21

Was there a broker for your account with BeneFirst and if so, identify the broker(s).

Answer No. 21

Charles S. Lord of the of the Chittenden Insurance Group.

Interrogatory No. 22

Who was the broker for your account(s) with the stop loss insurers identified in your

answer to the preceding interrogatories.

Answer No. 22

Charles S. Lord of the of the Chittenden Insurance Group.

Interrogatory No. 23

Do you claim to be entitled to payment of your attorney's fees in connection with this matter? If so, state the amount of attorney's fees you have incurred to date and state the basis for your claim of attorney's fees.

Answer No. 23

Yes. Plaintiff is entitled to attorney's fees under ERISA, 29 U.S.C. § 1001, *et seq.* Plaintiff reserves the right to supplement this Answer in the future.

Interrogatory No. 24

Please identify what documents you received from BeneFirst before, during and after BeneFirst's tenure with the Plan, and who presently has custody of them.

Answer No. 24

OBJECTION: Plaintiff objects to this Interrogatory to the extent that it is overly broad, vague and unduly burdensome. Notwithstanding and without waiving the foregoing objections, Plaintiff states that all documents provided to Plaintiff by BeneFirst, LLC, to the extent that they exist, are in Plaintiff's possession.

Interrogatory No. 25

Do you claim that you were a fiduciary for purposes of ERISA for any given year identified in your response to interrogatory number 4? If so, please state the year or years you were a fiduciary and the factual basis for your assertion.

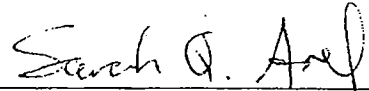
Answer No. 25

Yes. 2001-2002.

Supplemental Answer No. 25

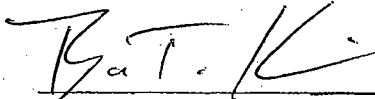
W.E. Aubuchon Co., Inc. was a "named fiduciary" under the Medical Summary Plan Description for the years 2001-2002.

Signed under the pains and penalties of perjury this 14 day of November, 2007.



Sarah Q. Arel, Benefits Manager,
W.E. Aubuchon Co., Inc.

AS TO OBJECTIONS:



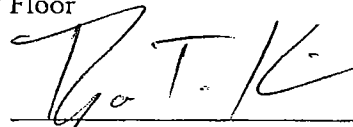
Louis M. Ciavarra (BBO#546481)
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311 Main Street
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Worcester, MA 01615-0156
Telephone: (508) 926-3408
Facsimile: (508) 929-3011

Dated: November 14, 2007

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of November, 2007 I served the foregoing document by mailing a copy of same, first class, postage prepaid, to:

Stephen D. Rosenberg, Esq.
Eric L. Brodie, Esq.
The McCormack Firm, LLC
One International Place, 7th Floor
Boston, MA 021010



Ryan T. Killman

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EXHIBIT I

Undocumented Claims
Aubuchon Distribution, Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Basque, Yvonne	023280490	Self	20037920-01	02/06/02	\$ 995.00
			20083216-01	02/06-02/08/02	\$ 1,051.30
Bellar, Donald	010425533	Self	10112944-01	07/23/01	\$ 2,175.00
			10112946-01	07/23/01	\$ 1,200.00
Boudreau, William	030345316	Self	10113137-01	07/20/01	\$ 3,951.00
			10113115-01	03/09-08/09/01	\$ 1,379.00
			10120252-01	07/20/01	\$ 778.00
Brownell, Donna	030346924	Self	20034063-01	02/25-02/28/02	\$ 10,756.00
			20103020-01	08/23/02	\$ 629.00
			20090214-01	07/11/02	\$ 603.00
Carroll, Reginald	022307148	Self	20101597-01	2/26/2002	\$ 4,020.14
			20029043-01	1/9/2002	\$ 1,550.00
Chartier, Dana	031469138	Self	20039093-01	12/21/2001	\$ 759.00
Cotton, Edward	027461442	Adam	20100333-01	07/22/02	\$ 925.00
Crosby, Julie	031404455	Self	20067657-02	06/05/02	\$ 819.00
Delisle, Paul	025369395	Self	10145278-01	10/31/01	\$ 1,529.00
			20007980-01	01/17/02	\$ 1,920.00
Fournier, Louis	030362370	Pamela	20066873-01	05/06/02	\$ 1,040.00
Gallant, Steven	019484255	Eric	20020069-01	07/27/01	\$ 890.00
			20083147-01	06/05/02	\$ 677.00
Gallant, Steven	019484255	Christopher	20083201-01	02/27/02	\$ 764.20
Girouard, Bruce	032548367	Self	20089834-01	06/26/02	\$ 674.00
Girouard, Leo	015347941	Self	20089826-01	07/02/02	\$ 1,415.00
Hines, Joseph	026320799	Self	20084980-01	06/14-06/28/02	\$ 1,049.00
Houle, Brian	028526353	Stephanie	20018703-01	8/31/2001	\$ 1,520.00
Karkutt, John	024303169	Gail	20110033-01	06/20/02	\$ 3,870.39

EXHIBIT I

Undocumented Claims
Aubuchon Distribution, Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			30010025-01	07/01-07/31/02	\$ 1,048.00
			20121458-01	05/23/05	\$ 1,350.00
			30004251-01	06/20/02	\$ 751.00
LaFortune, Robert	015368371	Joanne	20046680-01	03/08/02	\$ 3,944.00
LeBlanc, Bruce	016581358	Self	20015102-01	07/26/01	\$ 1,197.00
Leger, Eugene	027288341	Barbara	20015555-01	10/09/01	\$ 790.00
Legros, Robert	030346679	Self	20031342-01	10/03-10/31/01	\$ 16,994.74
			10118383-01	08/10-08/14/01	\$ 1,158.00
			20081835-01	12/28-1/21/02	\$ 1,000.00
			20002508-01	07/06/01	\$ 845.00
			20002513-01	08/10/01	\$ 718.00
			10121332-01	07/14/01	\$ 700.00
Maillet, Alphee	016400162	Self	20128077-01	08/20/02	\$ 2,070.00
			20095936-01	05/01/02	\$ 1,762.00
Morin, Donald	010426282	Self	20104329-01	07/12/02	\$ 1,652.62
			20102824-01	08/05/02	\$ 1,041.00
			20085761-01	07/12/02	\$ 1,550.00
			20037930-01	03/01/02	\$ 900.00
Nyman, Gary	016400755	Paula	20058880-01	04/30/02	\$ 2,300.00
Pelletier, Michael	019484821	Self	20101403-01	07/12-07/13/02	\$ 830.41
Pelletier, Michael	019484821	Mary	20087423-01	06/11/02	\$ 1,700.00
Price, David	006347444	Self	20090482-01	07/12/02	\$ 750.00
Roach, Bruce	023523626	Self	20087392-01	05/24/02	\$ 646.00
Rouleau, Philip	014322579	Self	10114072-01	09/13/01	\$ 1,300.00
Storm, Glenn	019281114	Self	30004196-01	04/04/02	\$ 5,400.00
			20001160-01	11/01-11/30/01	\$ 2,415.00

EXHIBIT I

Undocumented Claims
Aubuchon Distribution, Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20084470-01	05/02-05/31/02	\$ 1,957.00
			20037898-01	01/25/02	\$ 1,650.00
			20092723-01	04/02/02	\$ 1,050.00
Therrien, Todd	029587741	Self	20083253-01	10/24/2001	\$ 1,084.00
Whitestone, Mark	021605088	Mark	20120120-01	06/21/02	\$ 1,190.10
			20090910-01	06/21/02	\$ 650.00
Whitestone, Mark	021605088	Janice	20089837-01	06/14/02	\$ 1,650.00
Whitestone, Mark	021605088	Kelly	20106436-01	08/19/02	\$ 694.00
Woltering, Marvin	018480930	Self	30032146-01	08/01/02	\$ 4,808.96
Exhibit Total:					\$116,485.86

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EXHIBIT II**Procedural and Payment Claim Errors****Aubuchon Distribution, Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Lopes, Lonnie	Max	031404455	Various	9/24/01-8/7/02	\$ 2,968.20		\$ 2,968.20
Comments: Notes on-line indicate that there is other coverage through Blue Cross Blue Shield which is the primary payor for Max due to the birthday rule. Therefore, Benefirst paid this claim as primary in error.							
Basque, Yvonne	Self	023280490	Various	1/29/02-6/25/02	\$ 4,468.00	\$ 4,468.00	
Brownell, Donna	Self	030346924	Various	7/16/01-8/23/02	\$ 5,685.80	\$ 5,685.80	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/00. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Jacoby, Paul	Self	029284907	Various	8/20/01-8/14/02	\$ 3,779.64	\$ 3,779.64	
	Raili	029284907	Various	8/30/01-4/29/02	\$ 804.75	\$ 804.75	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/00. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Legros, Robert	Self	030346679	Various	11/1/01-1/31/02	\$ 17,994.74	\$ 17,994.74	
Comments: Eligibility on-line indicates that COBRA was effective 11/1/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							

EXHIBIT II**Procedural and Payment Claim Errors****Aubuchon Distribution, Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Sumner, Kenneth	Self	020349061	Various	9/6/6/01-9/29/01	\$ 9,091.60	\$ 9,091.60	
Comments: Eligibility on-line indicates that COBRA was effective 9/6/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Wilson, Duane	Carl Ogert	027545935	20079403-01	10/14/01-10/17/01	\$ 333.70	\$ 333.70	
Comments: The dependent has a different last name than the employee. We found no notes on-line to indicate that investigation was initiated to verify that the employee was responsible for this child as required by the Plan.							
LaFortune, Robert	Joanne	015368371	20047378-01	03/08/02	\$ 720.00		\$ 60.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Carroll, Reginald	Self	022307148	20120180-01	01/15/02	\$ 129.20		\$ 129.20
Comments: Charges of \$1,767.00 incurred on 1/15/02 at Health Alliance were repriced to \$1,501.95 (claim number 20023055). However, when charges were processed, revenue code 636 (Drug/Detail Code) in the amount of \$152.00 was omitted from the total charge amount entered on line but payment of \$1,501.95 was still issued. Further, the \$152.00 was later processed under claim number 20120180-01 and \$129.20 was issued. Therefore, an overpayment of \$129.20 was created in this file.							
Hansen, Carl	Self	042103575	20044558-01	3/7-3/12/02	\$ 6,439.35		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
LeBlanc, Bruce	Self	016581358	10142322-01	7/26-7/28/01	\$ 2,436.00		\$ 200.00

EXHIBIT II**Procedural and Payment Claim Errors****Aubuchon Distribution, Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Comments: The Plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documentation noted in claimant's file.							
12 DeBarge, James	Self	031402510	20011081-01	12/14/01	\$ 575.95		\$ 575.95
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
13 Gallant, Steven	Self	019484255	20004343-01	09/27/01	\$ 1,728.90		\$ 1,728.90
			20004344-01	09/26/01	\$ 479.96		\$ 479.96
			20004345-01	07/20/01	\$ 233.75		\$ 233.75
			20038866-01	01/25/02	\$ 928.50		\$ 928.50
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
14 Gallant, Steven	Eric	019484255	10114167-01	07/27/01	\$ 1,184.67		\$ 1,184.67
			10114170-01	07/27/01	\$ 417.00		\$ 417.00
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							

EXHIBIT II

Procedural and Payment Claim Errors

Aubuchon Distribution, Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
15							
Pike, David	Self	024480531	10123690-01	08/29/01	\$ 804.60		\$ 804.60
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
16							
Storm, Glenn	Self	019281114	10124965-01	08/28/01	\$ 4,722.06		\$ 4,722.06
			20001160-01	11/29/01	\$ 1,917.75		\$ 1,917.75
			20016010-01	11/27/01	\$ 345.95		\$ 345.95
			10115984-01	08/27/01	\$ 300.35		\$ 300.35
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
17							
Wilson, Duane	Carl Ogert	027545935	10141703-01	10/14/01	\$ 550.45	\$ 550.45	
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							

EXHIBIT II**Procedural and Payment Claim Errors****Aubuchon Distribution, Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Payment Errors
Storm, Glenn	Self	019281114	20066807-01	10/15-10/29/01	\$ 1,020.65	\$ 1,020.65	
			20029154-01	12/4-12/31/01	\$ 1,386.45	\$ 1,386.45	
			20038203-01	1/4-1/30/02	\$ 956.35	\$ 956.35	
			20066802-01	2/1-2/22/02	\$ 1,266.90	\$ 1,266.90	
			20060799-01	4/19-4/30/02	\$ 705.85	\$ 705.85	
Comments: Physical therapy charges considered without indication of attending physician's orders as required by the Plan. Please note that claim number 20001160-01 deducted for reimbursement to incorrect provider also is questioned for physical therapy authorization.							
Exhibit Totals:				\$74,377.07	\$48,044.88	\$17,196.84	

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ADMINISTRATIVE SERVICES AGREEMENT

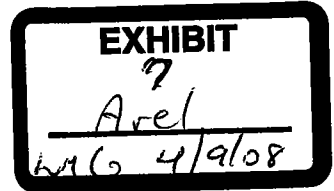
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By and Between

W.E. Aubuchon Co., Inc. Distribution Center

And

BENEFIRST, LLC.



This Agreement ("Agreement") between W.E. Aubuchon Co., Inc. Distribution Center ("Plan Sponsor") and BENEFIRST, LLC. ("Plan Administrator"), for the purpose of establishing the terms and conditions which the Plan Administrator agrees to provide administrative services to the Plan Sponsor under the Plan Sponsor's Benefit Plan ("Benefit Plan") in consideration for the payment by the Plan Sponsor of administration fees and the agreements set forth below:

SECTION I. CLAIMS ADMINISTRATION

A. The Plan Sponsor shall:

1. Retain the final authority and responsibility for the Benefit Plan and its operations. The Plan Sponsor gives the Plan Administrator the authority to act on behalf of the Plan Sponsor in connection with the Benefit Plan, but only expressly stated in this Agreement or as mutually agreed upon in writing by the Plan Sponsor and the Plan Administrator;
2. Pay the Plan Administrator as set forth in this Agreement;
3. Provide funds for the payment of plan benefits as set forth in this Agreement;
4. Furnish the information needed by the Plan Administrator to perform its functions under this Agreement. Information regarding the Benefit Plan includes any information concerning the eligibility and entitlement of persons to receive plan benefits;
5. Reimburse the Plan Administrator for the expense of any printed matter prepared especially for the Benefit Plan of the Plan Sponsor, except expenses specifically assumed by the Plan Administrator in the Schedule of Fees of Exhibit A;
6. Indemnify the Plan Administrator and hold it harmless from and against all loss, liability, damage, expense or other obligation resulting from or arising out of claims, demands or lawsuits against the Plan Administrator in connection with benefit payments or services performed under this Agreement; and,
7. Indemnify the Plan Administrator and hold it harmless against any liability, expenses, demand or other obligation resulting from or arising out of any tax or similar assessment (federal or state) which, (a) BeneFirst may incur with respect to plan benefits which are the obligation and liability of the Plan Sponsor, or (b) would have been levied on any charges or fees payable by the Plan Sponsor to the Plan Administrator under this Agreement.

B. The Plan Administrator, as Agent of the Plan Sponsor, shall:

1. Pay plan benefits in its usual and customary manner subject to and in accordance with this Agreement to or on behalf of persons entitled to receive plan benefits;

2. Notify any plan participant whose request for plan benefits is denied, of the reasons for the denial, and of that plan participant's right to have the denial reviewed. The notification and review will be in a manner agreed upon by the Plan Sponsor and the Plan Administrator designed to satisfy the requirements of the Employee Retirement Income Security Act of 1974 (ERISA);
3. Maintain, for the duration of this Agreement and for two (2) years thereafter, adequate records of all transactions between Plan Sponsor, the Plan Administrator and plan participants. The records are the property of the Plan Sponsor. The Plan Sponsor has the right of continuing access to their records;
4. Refer to the Plan Sponsor for determination of: (a) any claim or class of claims the Plan Sponsor may specify, (b) any disputed claim, (c) any claim involving any question of eligibility or entitlement of the claimant for coverage under the Benefit Plan, (d) any question with respect to the amount of payment due, or, (e) any other question;
5. Provide the Plan Sponsor service and assistance in connection with the design and development of the Benefit Plan, initially and in connection with Benefit Plan revisions. Service and assistance includes; (a) underwriting and actuarial services, (b) estimates of initial plan costs, (c) cost projections of any proposed plan revisions, and (d) advice regarding the preparation of plan documents and summary plan description booklets;
6. Furnish the plan participants the items described in the following subsections:
 - i. an annual report of information available to the Plan Administrator which may be needed by the Plan Sponsor to satisfy plan requirements of ERISA.
 - ii. administrative forms including the initial supply of summary plan description booklets (but not any subsequent reprints) needed to facilitate the performance of BeneFirst's duties pursuant to this Agreement; and,
7. Indemnify the Plan Sponsor and hold it harmless from and against all claims, lawsuits, settlements, judgements, costs, penalties and expenses, including attorney fees, with respect to this Agreement resulting from or arising out of the gross negligence or the dishonest, fraudulent or criminal acts of the Plan Administrator or its employees, acting alone or in collusion with others.

SECTION II PLAN FUNDING

- A. The Plan Sponsor shall establish and maintain a bank account ("Account") to be used solely for the purpose of funding claims due under the Benefit Plan.
- B. The Plan Sponsor shall fund the Account on a timely basis with funds sufficient to cover all amounts to be paid when due under the Benefit Plan and this Agreement.
- C. The Plan Sponsor shall expressly authorize the Plan Administrator to issue checks for benefit payments under the Benefit Plan on behalf of the Plan Sponsor.
- D. The Plan Sponsor shall adequately fund the Account so that all claims can be paid within twenty-one (21) days of processing. In the event that the Plan Sponsor fails to adequately fund the Account within 21 days of claim processing, the Plan Administrator shall notify the Plan Sponsor by certified mail that the Plan Sponsor has fourteen (14) days to fund the Account. If the Plan Sponsor fails to adequately fund the Account within the 14-day period, the Plan Sponsor will be in breach of the Agreement and the Plan Administrator shall have the power to terminate administrative services. In the event of such termination, the Plan Sponsor shall promptly notify all covered employees and dependents of such termination, however, the Plan Administrator reserves the right to so notify covered employees and dependents as well. Failure to terminate

services at the end of the 14-day period in no way prejudices the Plan Administrator from their right to do so at a later date.

- E. If the Plan Sponsor (a) commences a voluntary case under the federal bankruptcy laws or admits in writing its insolvency or its inability to pay its debts as they become due, or applies for, consents to or acquiesces in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property or generally does not pay its debts as they become due; or (b) shall have an order or decree for relief in bankruptcy in any case under federal bankruptcy laws entered against it, or if a petition seeking reorganization, readjustment, arrangement, composition or other similar relief as to the Plan Sponsor under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it and shall be consented to by it or shall remain undismissed for sixty days; or (c) if a trustee, receiver, custodian or similar official or agent shall be appointed to take charge of all or any part of the Plan Sponsor's property; then in any of these cases, the Plan Administrator may, immediately or at any time thereafter while under such condition continues and without demand and without prejudice to any remedies which might otherwise be used for arrears of funds due to pay claims or administrative service fees, give notice of termination of this Agreement to the Plan Sponsor and, upon giving such notice, this Agreement shall terminate. The Plan Administrator may, at its option, allow this Agreement to continue on the condition that the Plan Sponsor give the Plan Administrator a security deposit equal to one month's estimated claims liability and one month of administrative services fees as protection against loss the Plan Administrator would sustain by virtue of the Plan Sponsor's default hereunder.
- F. The Plan Sponsor agrees to promptly reimburse participating Network providers within thirty (30) days from their receipt of the claim. The Plan Sponsor agrees that claims not reimbursed within thirty (30) days are payable at the full original billed amount and will not be eligible for the HCVM discount if requested by the participating provider.

SECTION III. PLAN SPONSOR LIABILITY

The Plan Administrator does not insure nor underwrite the liability of the Plan Sponsor under the Benefit Plan. The Plan Sponsor retains the ultimate responsibility for claims made pursuant to the Benefit Plan. The Plan Sponsor is responsible for all expenses incident to the Benefit Plan except expenses specifically assumed by the Plan Administrator in this Agreement.

SECTION IV. PLAN ADMINISTRATOR LIABILITY

- A. The Plan Administrator shall, to the extent possible, advise the Plan Sponsor as to matters which come to its attention involving potential legal actions involving the Benefit Plan and shall promptly advise the Plan Sponsor of legal actions commenced against the Plan Sponsor which comes to its attention. The defense of any legal action involving a claim for benefits under the Benefit Plan shall not be the obligation of the Plan Administrator under this Agreement, but it is understood and agreed that the Plan Administrator shall fully cooperate with the Plan Sponsor in the defense of any action arising out of matters related to this Agreement.
- B. The Plan Administrator will use reasonable care and due diligence in the exercise of its powers in the performance of its duties under this Agreement. The Plan Administrator will not be liable for any mistake of judgement or other actions taken in good faith.
- C. If it is determined that any payment has been made under this Agreement to an ineligible employee or dependent, or if it is determined that more or less than the correct amount has been paid by the Plan Administrator, the Plan Administrator will make a diligent effort to recover the payment made to an ineligible person but, the Plan Administrator will not be required to initiate court proceedings for any such recovery.

- D. The Plan Administrator does not insure nor underwrite the liability for medical stop loss under the Benefit Plan. The Plan Sponsor retains the ultimate responsibility for claims made under the Benefit Plan and all expenses incidental to the Benefit Plan. If the Plan Sponsor purchases stop loss coverage from any insurance carrier, any claims that the Plan Sponsor may want paid that are not covered by the terms and conditions of the Benefit Plan will not be included as covered expenses for the purposes of the stop loss contract. The Plan Sponsor understands the coverage provided under any stop loss coverage purchased, and agrees that the coverage is appropriate for the Benefit Plan.
- E. The Plan Sponsor agrees to indemnify, defend and hold the Plan Administrator safe and harmless from all liability, losses and expense, including reasonable attorneys' fees arising from:
1. any claims or proceedings that may be made or brought by any third party against the Plan Administrator which claim or proceeding arises out of a benefit claim determination made in accordance with the Plan specifications incorporated into the Plan Document approved by the Plan Sponsor;
 2. any breach of Plan Sponsor's duties of confidentiality;
 3. any claims which are unrelated to the obligations of BeneFirst under this Agreement, including but not limited to, claim related to the provision of pharmacy services, "24/7" member access, quality assurance and utilization review;
 4. any claims involving injuries incurred or suffered by members of the Benefit Plan which injuries are caused by the negligence or misconduct of providers under the Benefit Plan

In the event that the Plan Administrator claims a right of indemnification under this Agreement it shall give prompt written notice of such claim to the Plan Sponsor. The Plan Sponsor shall have the right to control the defense of any such action and the Plan Administrator agrees to cooperate with the Plan Sponsor and provide such assistance as is reasonably requested.

SECTION V. COMPENSATION OF THE PLAN ADMINISTRATOR

I

- A. For the Plan Administrator services provided pursuant to this Agreement, the Plan Sponsor will pay the Plan Administrator the charges set forth in the Schedule of Fees. Fees will be due and payable within thirty (30) days of invoicing.
- B. The Plan Sponsor shall reimburse the Plan Administrator for any expenses incurred by BeneFirst, including expenses for utilization review procedures, hospital audits and large case management reviews. The Plan Administrator may deduct and pay such expenses from the Plan Sponsor's benefits claims account subject to all the limits and conditions of this Agreement.
- C. The Plan Administrator has the right to change the monthly administration fee and other fees set forth in Exhibit A, Schedule of Fees. BeneFirst will give the Plan Sponsor no less than thirty (30) days written notice of the change. The notice will state the amount of the new monthly fee and the effective date of the change. The fees in use at the time of the notice must be in effect at least twelve (12) months before a change can be made unless:
1. the Plan Sponsor amends the Benefit Plan in such a way that the cost, nature, or extent of the claims administration of the Benefit Plan is materially altered,
 2. the number of employees covered under the Benefit Plan changes by twenty-five percent (25%) or more since the date the then current charges were effective, or,
 3. there exists a change in the scope of the services to be performed by the Plan Administrator under the Benefit Plan or this Agreement.
- D. The Plan Administrator shall have the option to engage the services of a third party vendor to handle the negotiations and settlement of non-network provider and facility claims. Plan Sponsor agrees to pay the third party vendor the billed negotiation fee plus agrees to pay the Plan Administrator a service fee equal to ten percent (10%) of the savings.

SECTION VI. PERFORMANCE STANDARDS

- A. The Plan Administrator warrants that the following claims processing times and restrictions will be maintained at all times possible:
1. Claims Mail. Claims mail will be date stamped the day received. Claims will be inputted into the system within two days of the date of receipt.
 2. Non-Pended Claims. 80% of all non-pended claims and tracers will be processed within an average of 15 days after being entered into the system. 98% of all nonpended claims and tracers will be processed within an average of 30 days after being entered into the system.
 3. Pended Claims. All pended claims shall be resolved within an average of 90 days of receipt by BeneFirst of all necessary information required by BeneFirst unless this time period is otherwise extended by written and oral instruction by the Plan Sponsor.
 4. Adjustments. BeneFirst shall reprocess all claims on reprocessing forms within an average of five (5) days of receipt by BeneFirst of all required information unless this time period is otherwise extended by written and oral instruction of the Plan Sponsor.
 5. Member and Provider Data Input. Members who are added to the Plan Sponsor's Benefit Plan will be inputted within 48 hours of receipt of all required documentation.
 6. Claims Payments. The Plan Administrator will issue claims payments (using Plan Sponsor supplied funds) on a weekly basis.
- B. The Plan Administrator warrants that the following claims accuracy standards will be in place at all times:
1. Claim Financial Accuracy. The Claim Accuracy Ratio shall average .98 or greater as indicated by the the Plan Administrator Claims Audit Reports (as measured year to date by the said monthly reports). Financial accuracy will be calculated by dividing the number of claims audited with no financial error by the total number of claims audited.
 2. Claims Payment Accuracy. The total number of claims audited accurately divided by the total number of claims audited shall average .95 or greater as indicated by the Plan Administrator Claims Audit Reports (as measured year-to-date by the said monthly reports).
 3. Claims Coding Accuracy. The total number of correct coding entries audited divided by total number of coding entries audited shall average .95 or greater as indicated by the Plan Administrator Claims Audit Reports (as measured year-to-date by the said monthly reports).

SECTION VII. PHARMACY BENEFIT MANAGEMENT PROGRAM

- A. BeneFirst shall issue dispensing cards to individuals covered under the Plan Sponsor's Benefit Plan pursuant to the Administrative Agreement between the Plan Administrator and the Pharmacy Benefit Manager (PBM).
- B. The Plan Sponsor agrees to pay the Plan Administrator the amount charged for all drugs dispensed on the pharmacy cards to individuals covered under the Plan Sponsor's Benefit Plan. Further, the Plan Sponsor agrees that they are responsible for the payment of all drugs dispensed under the PBM under the Plan Sponsor's Benefit Plan until the expiration date of each card.

The Plan Sponsor agrees that drugs dispensed after the termination of this Agreement with the Plan Administrator, or drugs dispensed to terminated employees and dependents that have retained possession of the PBM card will continue to be the responsibility of the Plan Sponsor.

SECTION VIII. CONFIDENTIALITY

The Plan Administrator acknowledges that certain material and information which is or will come into its possession or knowledge in connection with this Agreement includes confidential proprietary information of the Plan Sponsor, disclosure of which to third parties may be damaging. Therefore, the Plan Administrator agrees to hold such material and information in confidence to be used only for the performance of this Agreement, and to be released only to permitted users and to those persons requiring access to the information for such performance or as required by law. For purposes of this Agreement, "permitted users" shall mean such persons as the Plan Sponsor identifies as permitted users.

SECTION IX. SEVERABILITY

If any provision of this Agreement is held invalid by law or by a court of law, the invalidity will not affect any other provision of this Agreement. The provisions of this Agreement are severable. It is provided, however, that the basic purposes of this Agreement must be achieved through the remaining valid provisions.

SECTION X. CAPTIONS AND HEADINGS

The captions and headings throughout this Agreement are for convenience and reference only. The words of the captions and headings will in no way be held or deemed to define, describe, explain, modify or limit the meaning of a provision, or the scope or intent of this Agreement.

SECTION XI. CONTRACT COMPLIANCE - NONWAIVER

Failure by the Plan Sponsor, the Plan Administrator or both to insist upon compliance with any term or provision of this Agreement at any time or under any set of circumstances will not operate to waive or modify that provision or render it unenforceable at any other time whether the circumstances are or are not the same. No waiver of any of the terms or provisions of this Agreement will be valid or of any force or effect unless each instance the waiver or modification is contained in a written memorandum expressing such alteration or modification and executed by the Plan Sponsor and the Plan Administrator.

SECTION XII. ASSIGNMENT

The rights, obligations and benefits established by this Agreement shall be nonassignable by the Plan Sponsor without the prior written consent of the Plan Administrator. The Plan Administrator may assign its rights and obligations hereunder with thirty(30) days written notice to the Plan Sponsor. For the purposes of this Agreement, a change in the controlling legal or beneficial ownership interest of the Plan Sponsor shall be deemed an assignment requiring the Plan Sponsor to request written consent from the Plan Administrator.

SECTION XIII. GOVERNING LAW

This Agreement shall be subject to and governed by the laws of the Commonwealth of Massachusetts. Any and all proceedings relating to the subject matter thereof shall be maintained in the courts of the Commonwealth of Massachusetts or the Federal District Courts sitting in Massachusetts.

SECTION XIV. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter and supersedes all prior and contemporary agreements, understandings, negotiations and discussions, whether oral or written, of the parties.

SECTION XV. TERMINATION

- A. This Agreement may be terminated either by the Plan Sponsor or by the Plan Administrator at any time provided the terminating party gives the other party prior written notice. The written notice will state the effective date of the termination. The written notice will be given no less than thirty (30) days prior to the date of the termination.
- B. This Agreement will terminate automatically and immediately as of the date:
1. the Plan Sponsor fails to pay any charges within thirty (30) days after charges are due and payable as provided in this Agreement, or,
 2. the Plan Sponsor fails to perform its obligations regarding the plan benefit payments in accordance with this Agreement. Termination will not relieve the Plan Sponsor of its obligations to the Plan Administrator for payment of compensation due under this Agreement, or,
 3. the Plan Sponsor amends the Benefit Plan regarding plan benefits subject to this Agreement without prior written acknowledgement or approval by the Plan Administrator, or,
 4. the Benefit Plan subject to this Agreement is terminated, or,
 5. the Plan Sponsor becomes insolvent or bankrupt or subject to liquidation, receivership or conservatorship as described in Sect. II, (E).
- C. If the Benefit Plan subject to this Agreement is terminated, the Plan Sponsor and the Plan Administrator may mutually agree that the provisions of this Agreement will continue in effect for the purposes of payment of plan benefit expense claims incurred before the date of termination but not paid on or before the date of termination.
- D. If this Agreement is terminated while the Benefit Plan continues in effect, the Plan Sponsor and the Plan Administrator may mutually agree that the provisions of this Agreement will continue in effect for the purpose of payment of any claims for which proofs of loss have been received by BeneFirst, before the date of termination.
- E. If provisions of this Agreement are continued in effect in accordance with subsection (C.) or (D.) of this section, the Plan Sponsor will pay the Plan Administrator an amount equal to the monthly administrative fee of the renewal proposal for the number of months the Plan Sponsor during the period the provisions of this Agreement are continued.
- F. Termination of this Agreement will not terminate the rights or obligations of either party arising out of the period during which this Agreement was in effect.

In WITNESS WHEREOF, the Plan Sponsor and the Plan Administrator have caused this Agreement to be executed in their names by their undersigned officers, the same being duly authorized to do so:

W. E. Aubuchon Co., Inc. Distribution Center

BENEFIRST, LLC

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

Witness: _____ Witness: _____

EXHIBIT A**Schedule of Fees****Plan Year 2001-2002****Set-Up Fee of \$4,500.00**

This is an annual fee and covers the preparation of Enrollment Kits and I.D. Cards needed for the initial group enrollment, and employee meetings at up to three locations. Subsequent printings will be billed to the client at cost. This fee also covers the building of the Plan in the claim system.

Monthly Fixed Costs

A Monthly Fixed Cost of \$91.05 per Single and \$150.81 per Family will be charged. The Monthly fixed cost provides administrative services and excess loss coverage as follows:

- Excess Loss premiums for coverage previously agreed upon.
- Maintaining a claims account for participant contributions, if appropriate.
- Invoicing and funding of Benefit Plan benefits.
- Recordkeeping and invoicing of fixed costs.
- Benefit administration, including cost containment programs.
- Plan amendments as required.
- Monthly benefit analyses, /
- Annual financial report on the Benefit Plan to the Plan sponsor, where appropriate.
- Routine-type consulting and assistance.
- Precertification of hospital admissions.
- COBRA premium invoicing, collection, and recordkeeping (where elected).
- Risk Management services, where appropriate.
- Recordkeeping, invoicing, and claim filing of life insurance benefits.
- Annual re-quoting of excess loss terms on a "best terms" basis.

Additional Service Fees

- **Booklet Reprints:** Booklet reprints are charged at cost.
- **IRS/DOL 5500 or 5500-C:** \$150.00 annual fee to compile data necessary to prepare the 5500/5500C.
- **HIPAA Certificates:** HIPAA Certificates provided with \$.75 per Employee per month fee as listed on the Plan Administrator sales proposal.
- **Additional Fees:** Any additional fees (medical records, medical fees, legal fees, Health Resources pre-certification charges.) needed to process Benefit Plan benefits will appear on the claims invoice as a non-benefit Plan expense. Closed Plan Year expenses by the Plan Administrator occasioned by a Medicare or Medicaid audit by the Health Care Financing Agency will be an additional fee but with an advance notice by the Plan Administrator to the Plan Sponsor.

Miscellaneous

- **Compensations:** The broker of record receives a commission of 10% of the excess loss premium.
- The Plan Administrator encourages the Plan Sponsor to have all Plan documents reviewed by its attorney.

EXHIBIT B**COBRA SERVICE AGREEMENT**

This COBRA Service Agreement ("Agreement") is between BeneFirst, LLC and W.E. Aubuchon Co., Inc. Distribution Center ("Plan Sponsor"). It is effective as of 25 Aug 01 (the "Effective Date"). This Agreement establishes the terms and conditions as recited below:

SECTION I. DUTIES OF PLAN SPONSOR

1. COBRA requires the Plan Sponsor to provide an initial notice of COBRA rights to covered employees and covered spouses at the time COBRA first applies to Plan Sponsor's Medical Plan(s) and at the time an individual first becomes a covered employee or covered spouse. The Plan Sponsor shall provide these initial notices of COBRA rights and BeneFirst will have no obligation with respect to them.
2. Whenever a qualifying event as defined in the COBRA law occurs, the Plan Sponsor shall promptly notify BeneFirst's COBRA Department via a completed BeneFirst provided notification form with the following information:
 - (i) the type of qualifying event incurred;
 - (ii) the date of the qualifying event;
 - (iii) the names, addresses, telephone numbers and birthdates of all the qualified beneficiaries;
 - (iv) the Plan Sponsor's Medical Plan(s) in which the qualified beneficiaries had coverage.
3. If Plan Sponsor so: us a notification form to BeneFirst via facsimile transmission, Plan Sponsor will also send the same notice via U.S. Mail.

SECTION II. DUTIES OF BENEFIRST

1. Within 14 days of receipt of a COBRA notification form from the Plan Sponsor, BeneFirst will send, a notice of right to continue coverage and an election form to the qualified beneficiary. Also, BeneFirst will alert its claims system to hold coverage pending the COBRA election of the qualified beneficiary.
2. BeneFirst will then track the qualified beneficiary's 60-day election period.
3. If a qualified beneficiary's election form is not received within the 60-day election period or if the coverage is declined on the election form, then the qualified beneficiary will be terminated from the Plan Sponsor's Medical Plan(s).
4. When an election form indicates a qualified beneficiary's intent to continue coverage, BeneFirst will immediately mail a confirmation letter with coupons for premium payments.
5. Grace Periods for COBRA premium payments will be monitored. If BeneFirst does not receive a premium payment for the qualified beneficiary by the end of any COBRA grace period, then the qualified beneficiary will be terminated from the Plan Sponsor's Medical Plan(s). However, BeneFirst will consult with the Plan Sponsor concerning any questionable late premium payments. All claims which are incurred after the qualified beneficiary's paid through date are held until the appropriate premium is received.
6. If applicable, BeneFirst will send a conversion notice to a qualified beneficiary plus an application for conversion six months prior to the qualified beneficiary's termination date.

7. Prior to a Plan Sponsor's National Plan's anniversary, BeneFirst will mail a COBRA renewal notice advising the qualified beneficiary of any upcoming premium changes. Subsequently, a renewal letter with new coupons will be sent to the qualified beneficiary.

SECTION III. ADDITIONAL PROVISIONS

1. BeneFirst will, to the extent possible, advise the Sponsor as to matters which come to BeneFirst's attention involving potential legal actions concerning the supervision of COBRA continuation rights. The defense of any legal action involving a claim for benefits under the supervision of COBRA continuation rights will not be the obligation of BeneFirst under this Agreement, but it is understood and agreed that BeneFirst will fully cooperate with Sponsor in the defense if any action arises out of matter related to this Agreement.
2. BeneFirst will advise Sponsor of any known changes to COBRA as they affect the Sponsor. In order to remain compliant, BeneFirst may implement required administrative procedures without notification to Sponsor.
3. BeneFirst will use ordinary care and due diligence in the exercise of its powers and the performance of its duties, but will not be liable for any mistake or judgment or other action taken in good faith or for any loss unless resulting from its gross negligence; provided that BeneFirst agrees to indemnify and hold harmless the Sponsor and its directors, officers and employees against any and all claims, lawsuits, settlements, judgments, costs penalties and expenses, including attorney's fees with respect to the Agreement resulting from or arising out of the dishonest, fraudulent, or criminal acts of BeneFirst or its employees, acting alone or in collusion with others.
4. The Sponsor agrees to indemnify and hold harmless BeneFirst and its directors, officers, and employees against any and all claims, lawsuits, settlements, judgments, costs, penalties, and expenses, including attorneys' fees, resulting from, or arising out of or in connection with any function of BeneFirst in connection with a claim for benefits under the administration of COBRA continuation rights unless it is determined that the liability therefore was the direct consequence of dishonest or criminal conduct, gross negligence or fraud on the part of BeneFirst or any of its directors, officers or employees.

SECTION IV. COMPENSATION OF THE PLAN ADMINISTRATOR 1.

Sponsor agrees to pay BeneFirst as follows for COBRA Administration:

- (a) Two percent (2%) of any collected premiums received from qualified beneficiaries.
- (b) \$.75 per Employee per Month

The Sponsor will be billed via a monthly invoice indicating the COBRA fees which are owed to BeneFirst for the previous month. This payment is due to BeneFirst the first day of the month following the billing date.

DATED AT _____ ON _____

PLAN SPONSOR _____

BY: _____ TITLE: _____

WITNESS: _____ SOLICITING AGENT: _____

EXHIBIT C
PLAN DISCLOSURE NOTICE

The Department of Labor requires full disclosure of all fees and commissions on the part of any entity receiving compensation from a qualified ERISA plan. BeneFirst, LLC is compensated through the fees and percentages specified in the preceding proposal through our subsidiary BeneFirst Insurance Agency, Inc. Arrangements between BeneFirst and any Broker regarding the sharing of fees or commission is reflected in the following schedule:

COMPENSATION DISTRIBUTION

Line of Coverage/Service	BeneFirst	Broker 1	
Specific Excess Premium	0	10%	
Aggregate Excess Premium	0	10%	
Group Life			
Group AD&D			
Group Short Term Disability			
Administrative Fees	100%	0	
Service Fee			
Medical Claim Fee	100%		
Dental Claim Fee	100%		
HIPAA Service Fee	100%		
COBRA Service Fee	100%		
Flex Fees			
PPO Fees (HCVM/NPPN, et al)	0%	0%	
Pre-Cert and/or Review Services	100%		
Prescription Program Compensation			
Interest on Custodial Accounts	100%		

WITNESS:

SOLICITING AGENT:

DATED AT _____ ON _____

_____ PLA _____

N SPONSOR BY: _____ TITLE: _____

EXHIBIT D

Preferred Provider Organizations

This Agreement made effective as of the 25th day of August, 2001 between HealthCare VALUE Management, Inc. ("HCVM") a Corporation organized under the Laws of Massachusetts and W.E. Aubuchon Co., Inc. Distribution Center a Client of BeneFirst, LLC.

The Client agrees with the terms of the Contract between HealthCare VALUE Management, Inc. and BeneFirst, LLC effective August 25, 2001.

Client Insurance and Indemnification. Client will indemnify and hold HCVM and its agents, staff and employees harmless from any and all liability, loss claims, demands, or expenses, including attorneys' fees, caused by the negligent or intentional acts or omission of Client, its agents or employees in carrying out their responsibilities under this Agreement. Client shall procure and maintain policies of comprehensive general liability, professional liability and other insurance as may be necessary to protect it against such claims.

HCVM Insurance and Indemnification. HCVM will indemnify and hold Client and its agents, staff and employees harmless from any and all liability, loss, claims, demands, or expenses, including attorneys' fees, caused by the negligent or intentional acts of omissions of HCVM, its agents or employees in carrying out their responsibilities under this Agreement. HCVM shall procure and maintain policies of comprehensive general liability, professional liability and other insurance as may be necessary to protect it against such claims.

This Agreement will be made part of the Plan Supervisory Agreement between W.E. Aubuchon Co., Inc. Distribution Center, and BeneFirst, LLC.

Signed By:

DATED AT _____

ON

PLAN SPONSOR W.E. Aubuchon Co., Inc. Distribution Center

BY:

TITLE: _____

WITNESS: _____ SOLICITING AGENT: _____

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THE MCCORMACK FIRM, LLC

Attorneys at Law

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Eric L. Brodie
Donna E. Hess
Sylvia Chu
Gerald S. Frim
Laura G. Ryan
Jon A. Halaby

Mary-Elise Connolly
Caroline M. Fiore
Brooks von Biberstein
Of Counsel

Sender's E-Mail:
srosenberg@mccormackfirm.com

August 31, 2007

Via DHL Express

Louis M. Ciavarra, Esq.
Ryan T. Killman, Esq.
Bowditch & Dewey, LLP
311 Main Street
P.O. Box 15156
Worcester, MA 01615-0156

RE: **W.E. Aubuchon Co., Inc. et al. v. BeneFirst, LLC**
U.S.D.C. C.A. No.: 05-40159FDS
Our File No.: 8157 ~ 259.08157

Dear Attorneys Ciavarra and Killman:

Please find enclosed a supplemental production of the claims information ordered produced by Magistrate Judge Hillman. The documents being produced today are documents located after a comprehensive review of every claims image available to BeneFirst, as obtained from CD-ROMS containing scanned images from a vendor, images from backup tapes of the BeneFirst server, and images obtained from third parties pursuant to subpoena.¹ According to our tabulations, of the 2991 claims listed in the Aubuchon Employee Benefits Plan spreadsheet that you provided to us, we have been able to locate 1777 of those claims. Of the 166 claims listed in the Aubuchon Distribution Employee Benefits Plan spreadsheet provided to us, we have been able to locate 105 of those claims. At this time, we have exhausted every known source of claims or claims images, and every available claims image has been checked against the spreadsheets you have provided to us. Each claim for which images have been located and are being produced is marked with an "X" on the enclosed spreadsheets.

We plan on filing a status report with the court to advise the court of the results of our review of BeneFirst's claims image archives, and to also advise the court, with your assent, that the parties agree that BeneFirst is in compliance with that order. Absent your assent, we will instead file a motion simply asking the court to deem BeneFirst as in compliance with Judge Hillman's prior order, so that we may close the book on this phase of the litigation and move forward.

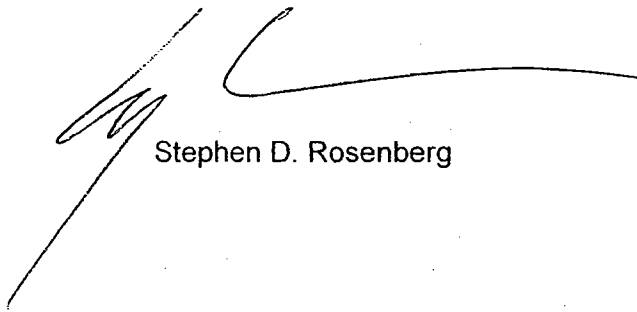
¹This production contains images from all three sources and includes the images previously produced that contained images obtained from the CD-ROMs only.

THE MCCORMACK FIRM, LLC

Louis M. Ciavarra, Esq.
Ryan T. Killman, Esq.
August 31, 2007
Page 2

Please feel free to contact me should you wish to discuss any of the foregoing, or if you would like an electronic copy of the spreadsheets enclosed with the hard copies of claims images.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Stephen D. Rosenberg", with a long horizontal flourish extending to the right.

Stephen D. Rosenberg

SDR/ELB

101726.2

Enclosures as noted

Louis M. Ciavarra, Esq.

Ryan T. Killman, Esq.

Claims Audit

Employer: W.E. Aubuchon Co., Inc.

Aubuchon Distribution, Inc.

April 8, 2008

Page 8

Clearly, when the extrapolations are considered, the value of the identified errors represents a significant monetary impact against Aubuchon's claims funds.

Thank you for this opportunity to be of service. Should you have any questions or comments, we would be pleased to respond.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Adria L. Garneau', with a long horizontal flourish extending to the right.

Adria L. Garneau, CEBS

ALG/mh

Exhibit I

EXHIBIT I

Provided by: Northshore International Insurance Services, Inc.

Date: April 8, 2008

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Agate, Michael	Lisa	104681445	40101713-01	9/29/2004	\$ 7,618.01
			40107749-01	9/29/2004	\$ 4,000.00
			40091204-01	7/2/2004	\$ 2,004.95
			40107747-01	9/29/2004	\$ 1,520.00
			10120258-01	8/25/2001	\$ 743.59
			40088428-01	6/16-6/30/04	\$ 975.00
			40107750-01	9/29/2004	\$ 1,000.00
			10138194-01	8/25/2001	\$ 586.00
Agate, Michael	Self	104681445	30010578-01	12/10/2002	\$ 800.00
Aiken, Allen	Self	019509540	20118082-01	9/16/2002	\$ 2,618.00
Aivaliotis, Steven	Laura	003487861	40018017-02	1/26/2004	\$ 1,910.00
Alger, Stephen	Self	016428328	2006946-01	9/5/2002	\$ 592.00
Anastasio, Paul	Nicolas	006605350	40007029-01	11/7/2003	\$ 594.39
Archambeault, Dennis	Donna	003406732	40098079-02	9/17/2004	\$ 3,074.25
			20117685-01	8/14/2002	\$ 1,200.00
			10103541-01	7/9/2001	\$ 626.00
Archambeault, Dennis	Allison	003406732	40020958-01	2/1/2004	\$ 2,446.00
			20120736-01	10/7/2002	\$ 784.80
Archambeault, Dennis	Self	003406732	40061597-01	5/26/2004	\$ 1,911.20
			40061603-01	5/26/2004	\$ 871.00
Archambeault, Dennis	Andrea	003406732	40098713-01	5/20/2004	\$ 700.00
Archambeault, Gerard	Self	001368023	40106229-01	9/15-9/17/04	\$ 2,986.48
			40090030-01	11/19/2003	\$ 2,575.00
			40094361-01	8/17/2004	\$ 1,943.00
			40087088-01	7/13/2004	\$ 1,533.41
			40098080-01	8/17/2004	\$ 1,530.00
			40057717-01	11/19/2003	\$ 1,464.00
			40092541-01	8/17/2004	\$ 1,346.00
			40022421-01	1/17/2004	\$ 990.00
			40061620-01	5/20/2004	\$ 1,165.00
			40087480-01	8/4/2004	\$ 1,165.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40098082-01	9/16/2004	\$ 1,175.00
			40098083-01	9/16/2004	\$ 950.00
			40046916-01	4/9/2004	\$ 995.00
			40098081-01	8/31/2004	\$ 658.00
Archambeault, Gerard	Patricia	001368023	40060284-01	5/7/2004	\$ 1,003.00
Andre, Arel	Self	003544806	40081171-01	7/29/2004	\$ 1,304.00
			20103848-01	8/27/2007	\$ 827.00
Andre, Arel	Sarah	003544806	40094967-01	8/17/2004	\$1,175.00
Andre, Arel	Sawyer	025363234	20115001-02	8/26/2002	\$898.00
			20114997-01	8/26/2002	\$3,850.00
			20115001-01	8/26/2002	\$1,552.00
Armitage, William	Shirley	147383106	40101722-01	9/30/2004	\$578.00
Ashley, Wayne	Self	009387299	40086494-01	7/26/2004	\$2,289.91
			40051678-01	4/2/04-4/30/04	\$1,976.11
			20105147-01	8/22/2002	\$1,782.13
			40105318-01	9/29/2004	\$1,294.00
			40086495-01	7/26/2004	\$1,198.00
			40099919-01	9/29/2004	\$1,148.24
			40012932-01	1/8/2004	\$1,125.00
			20104963-01	8/22/2002	\$527.00
Aubuchon, Daniel	Susan	013381491	20088247-03	7/12/2002	\$ 2,100.00
			20124385-01	7/12/2002	\$ 8,431.15
			20124388-01	7/30/2002	\$ 4,833.31
			20101804-01	7/14/02-7/29/02	\$ 1,024.00
			20004826-01	1/9/2002	\$ 2,520.00
			40098090-01	9/22/2004	\$ 1,374.00
			20104469-01	7/29/02-7/31/02	\$ 1,175.00
			20104472-01	8/23/2002	\$ 1,200.00
			20120004-01	7/17/02-9/30/02	\$ 948.00
			20103555-02	7/30/2002	\$ 600.00
			20110206-01	8/23/2002	\$ 525.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Aubuchon, Donat	Suzette	003345938	20118376-01	9/21/2002	\$ 1,134.00
Aubuchon, Daniel	Susan	013381491	40098089-01	9/22/2004	\$ 1,161.44
Aubuchon, David	Beverly	24303387	40002341-01	12/2/2003	\$ 1,850.00
			30126481-01	11/24/2003	\$ 705.00
Aubuchon, Gerard	Self	017126667	40012498-01	1/15/2004	\$ 500.00
Aubuchon, Lindsey	Alexander	021628786	40046920-01	4/12/2004	\$ 901.00
Aubuchon, Michael	Self	023369201	20120799-01	10/9/2002	\$ 2,050.00
			20027025-01	2/26/2002	\$ 2,550.00
Aubuchon, Michael	Gloria	023369201	10108373-01	8/22/2001	\$ 1,600.00
Aubuchon, Phillip	Self	032368632	20108879-01	3/29/2002	\$ 3,732.95
			20120794-01	3/29/2002	\$ 750.00
Aubuchon, Scott	Kirsten	027682251	30062003-01	5/22/2003	\$ 2,900.00
			30054033-01	4/15/2003	\$ 649.00
Aubuchon, Thomas	Self	017503470	20103888-01	3/20/2002	\$ 1,075.50
			20122789-01	10/24/2002	\$ 1,391.23
			20118087-01	9/19/2002	\$ 1,123.00
			20039024-01	2/7/2002	\$ 903.70
Aubuchon, Thomas	Patricia	017503470	20078810-01	6/10/2002	\$ 1,950.00
Aubuchon, William	Karson	033345935	30001903-01	12/23/2002	\$ 1,275.85
			40001555-01	12/12/2003	\$ 2,603.00
			30116648-01	10/20/2003	\$ 1,078.00
			30116645-01	10/20/2003	\$ 1,072.00
			40012942-01	12/12/2003	\$ 885.00
Aubuchon, William	Self	033345935	40108662-01	10/27/2004	\$ 1,350.00
Aubuchon, Brittany	Brittany	019363864	40116955-01	11/10/2004	\$ 780.00
Aubuchon, William	Camille	015059456	40007136-01	9/18/2003	\$1,345.00
			20004825-01	1/9/2002	\$2,000.00
			20106270-01	9/5/2002	\$912.00
			30070651-01	6/24/2003	\$1,175.00
Aubuchon, William	Self	015059456	20029944-01	1/25/2002	\$4,050.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			10133759-01	10/25/2001	\$7,275.00
			40007133-01	9/18/2003	\$632.00
			30105434-01	9/26/2003	\$750.00
Aubuchon, Pierre	Self	033223323	30050354-01	4/15/2003	\$ 1,950.00
			30050337-01	4/1/2003	\$ 750.00
			20062660-01	3/14/2002	\$ 3,058.85
Aumand, Patrick	Ryan	008429685	20074792-01	1/24/2002	\$ 1,042.50
			20074794-01	4/2/2002	\$ 1,042.50
Aumand, Patrick	Tara	008429685	10121073-01	10/5/2001	\$ 960.00
Aumand, Patrick	Patrick	008429685	40033500-02	3/18/2004	\$ 676.87
		008429685	40111905-01	11/1/2004	\$ 584.79
Avery, Tamela	Carl	074502519	10121662-01	7/23/2001	\$ 3,247.92
			10121663-01	7/20/2001	\$ 1,959.55
Avery, Tamela	Self	074502519	30131552-01	9/27/2003	\$ 1,690.30
			40007183-01	12/18/2003	\$ 1,375.00
			40003978-01	12/22/2003	\$ 569.89
Bacon, Donald	Jessie	028164971	10101402-01	7/17/2001	\$4,600.00
			10104747-01	7/17/01-7/19/01	\$1,900.00
Bacon, Donald	Self	028164971	20128733-01	11/4/2002	\$1,867.00
			20128044-01	11/8/2002	\$1,044.00
Bairos, Joao	Patrick	025529026	40057760-02	5/10/2004	\$ 968.00
			40057757-02	5/5/2004	\$ 918.00
Bairos, Joao	Maria	025529026	40087598-02	8/3/2004	\$ 1,650.00
			40057755-01	5/3/2004	\$ 632.00
Baker, James	Self	009603842	20068696-01	5/9/02-5/10/02	\$ 12,920.50
Baker, Joseph	Self	005462572	10139190-01	9/24/2001	\$ 3,933.00
			10133542-01	10/5/2001	\$ 1,716.00
			10123363-01	9/7/2001	\$ 997.00
Baker Jr., Gary	Self	008468618	40088948-01	7/15/2004	\$ 1,597.00
Barrett, William	Self	033600977	40108668-01	10/19/2004	\$ 1,452.79
Barrows, Shannon	Jennifer	009526734	40076994-01	7/13/2004	\$ 1,691.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40086850-01	7/27/2004	\$ 976.00
			40083561-01	7/27/2004	\$ 675.00
Basque, Pauline	Self	012348682	20125976-01	11/12/2002	\$ 1,600.00
			20128634-01	11/12/2002	\$ 1,752.00
			20039095-01	2/6/02-2/28/02	\$ 1,079.00
Beauchemin, Donna	Peter	020343481	20074508-01	8/21/2001	\$ 1,130.00
Bedard, Roberta	Kristin	049661631	40068857-01	6/15/2004	\$ 2,880.00
			40062607-01	6/14/04-6/17/04	\$ 28,130.23
			40066842-01	6/11/2004	\$ 732.00
			30084168-01	7/25/2003	\$ 620.00
Bedard, Roberta	Samuel	049661631	30082099-01	6/26/2003	\$ 2,658.00
			20002372-01	9/18/2001	\$ 1,495.00
			20131169-02	11/12/2002	\$ 1,169.00
			20105688-01	9/3/2002	\$ 923.00
			20118084-01	10/1/2002	\$ 834.00
			20074967-01	5/28/2002	\$ 784.00
			20102838-01	8/6/2002	\$ 772.00
Bedard, Samuel	Self	007820809	40111941-01	6/15/2004	\$ 3,000.00
			40087096-01	7/27/2004	\$ 2,429.00
			40083308-01	7/13/2004	\$ 1,328.00
			40083310-01	7/16/2004	\$ 1,242.00
			40088001-01	8/6/2004	\$ 1,219.00
			40079999-01	7/2/2004	\$ 820.00
			40076708-01	7/6/2004	\$ 796.00
			40080002-01	7/9/2004	\$ 796.00
			40083320-01	7/20/2004	\$ 796.00
			40086549-01	7/23/2004	\$ 796.00
			40088004-01	8/10/2004	\$ 796.00
			40090147-01	8/13/2004	\$ 796.00
			40090149-01	8/17/2004	\$ 796.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40094356-01	8/31/2004	\$ 796.00
			40108674-01	7/30/2004	\$ 796.00
			40025615-01	12/23/03-12/24/03	\$ 776.00
			40083311-01	7/16/2004	\$ 735.00
			40051720-01	4/30/2004	\$ 708.00
Bedard, Samuel	Samuel	007820809	4009165401	8/24/2004	\$ 1,346.00
Bellavance, Marc	Self	008420415	40008990-01	1/13/2004	\$ 1,060.00
			40009236-02	1/13/2004	\$ 741.00
Bellavance, Marc	Joyce	008420415	40066847-01	5/18/2004	\$ 5,356.84
Beloin, Gregory	Kehaulant	014580694	20130289-01	10/16/2002	\$ 3,000.00
			30004587-01	11/22/2002	\$ 500.00
Beloin, Gregory	Jaime	014580694	40100864-01	10/14/04-10/15/04	\$ 6,063.71
			20125032-01	10/16/02-10/19/02	\$ 2,250.54
Bergeron, Andrew	Self	008504811	20128168-01	10/22/2002	\$ 1,780.00
			20119671-01	10/3/2002	\$ 1,397.90
			20116417-01	10/3/2002	\$ 1,000.00
			20121443-01	10/3/2002	\$ 525.00
Berlo, Eric	Trevor	026509910	40098096-01	9/23/2004	\$ 1,280.00
			40101823-02	9/23/2004	\$ 550.00
Beroney, Kenny	Mitchell	002566995	20118518-01	10/2/2002	\$ 664.00
			20104343-01	5/29/2002	\$ 1,983.83
Beroney, Kenny	Rhonda	002566995	40094266-01	9/14/2004	\$ 786.99
Bezanson, Lorraine	Self	028244110	40051725-01	4/27/2004	\$ 1,218.00
			40061657-01	5/6/04-5/25/04	\$ 1,024.00
			40054136-01	4/22/04-4/29/04	\$ 941.00
			40012994-01	1/14/2004	\$ 642.50

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40072823-01	6/3/04-6/8/04	\$ 548.00
Bezio, Christopher	Mary	006661443	40083348-01	7/17/04-7/18/04	\$ 2,199.50
			40083340-01	5/21/04-5/28/04	\$ 2,023.51
			40083344-01	7/15/04-7/16/04	\$ 912.32
Bezio, Christopher	Self	006661443	40112562-01	11/4/2004	\$ 646.00
Bicknell, Justin	Self	008701394	40000292-01	12/11/2003	\$ 522.90
Bielski, David	Self	029766747	40094210-01	8/31/2004	\$ 1,730.19
Bierly, Naomi	Dennis	009449989	40009259-01	1/13/2004	\$ 1,793.22
			40015544-01	1/21/2004	\$ 673.13
			40014267-01	1/21/2004	\$ 610.00
Bierly, Naomi	Self	009449989	40053935-01	5/3/2004	\$ 760.00
Blodgett, Mark	Self	001405564	40092583-01	8/26/2004	\$ 2,284.85
			40088014-01	8/3/2004	\$ 2,243.32
			40007206-01	12/26/2003	\$ 1,427.00
			40072832-01	6/16/2004	\$ 1,471.00
			40007208-01	12/31/2003	\$ 959.84
			40083367-01	6/15/2004	\$ 769.00
Blood, Elizabeth	Self	024547760	40107821-01	10/21/2004	\$ 797.00
			40116675-01	8/20/2004	\$ 880.00
Boucher, Dennis	Self	032368751	40026697-01	1/27/2004	\$ 4,169.00
			40018139-01	1/27/2004	\$ 1,507.00
			40094389-01	8/31/2004	\$ 903.00
Boucher, Dennis	Maria	032368751	40000183-01	11/26/2003	\$ 7,565.61
			40088019-02	8/2/2004	\$ 7,819.75
			40072839-01	6/22/2004	\$ 1,350.00
			40087637-02	8/2/2004	\$ 680.00
			30110767-01	10/9/2003	\$ 825.00
Boudreau, Pierre	Patricia	008449730	40008962-01	10/7/2003	\$ 672.00
Boyer, James	Zachary	096585841	40111451-01	11/17/2004	\$ 1,005.15
Braden, Arnold	Self	005443804	40076753-01	7/9/2004	\$ 2,200.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40083377-01	4/4/2004	\$ 1,404.50
			40080016-01	7/9/2004	\$ 1,254.00
Bradley, Dennis	Hannah	383963782	10137231-01	6/9/01-6/14/01	\$ 17,135.19
			10138220-01	8/16/2001	\$ 760.00
Bradley, Dennis	Self	383963782	40043443-01	4/2/2004	\$ 725.00
Bradley, Dennis	Carrie	383963782	40006225-01	12/22/2003	\$ 775.15
			40007403-01	12/30/2003	\$ 584.05
			20051839-01	3/6/2002	\$ 585.00
Brea, Leo	Self	556277217	20038343-01	1/16/2002	\$ 1,050.75
Brochu, Gary	Janine	009464305	40116966-01	11/19/2004	\$ 645.00
Brown, Kelly	Self	009700903	40029278-01	3/2/2004	\$ 981.45
			40088033-01	8/12/2004	\$ 683.59
			40094720-01	9/12/04-9/13/04	\$ 610.55
			40094370-01	9/11/2004	\$ 544.51
Bryant, Jeffrey	Julia	032646418	30033519-01	4/1/2003	\$ 1,025.00
			20118475-01	10/3/2002	\$ 995.00
			20115304-01	9/6/2002	\$ 800.00
Bryant, Jeffrey	Self	032646418	40010500-01	12/26/2003	\$ 888.00
Bryson, Ronnie	Self	002603643	40076763-01	7/1/2004	\$ 572.55
Buckner, Marlow	Kristen	020860582	40013143-01	1/16/2004	\$ 662.00
Bulger, Mary	Self	001381349	30054117-02	4/24/2003	\$ 872.00
Burgoyne, Raymond	Self	0032637323	30101582-02	8/18/03-9/20/03	\$ 104,379.88
			30090959-01	6/18/03-6/30/03	\$ 78,363.89
			30090959-03	7/1/03-8/17/03	\$ 165,000.00
			30090959-02	6/18/03-6/30/03	\$ 44,037.52
			30090959-04	7/1/03-8/17/03	\$ 34,096.30
			30090959-08	6/18/03-6/30/03	\$ 38,061.61
			30090959-07	7/1/03-8/17/03	\$ 30,673.35
			30116262-02	9/17/03-10/15/03	\$ 28,439.10
			30090959-10	6/18/03-6/30/03	\$ 17,353.71
			30090959-05	7/1/03-8/17/03	\$ 3,933.50

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			30082578-01	7/3/03-7/27/03	\$ 2,805.00
			30071422-01	6/13/2003	\$ 1,450.00
			30102284-01	8/30/03-9/16/03	\$ 1,595.00
			40009271-01	11/1/03-11/30/03	\$ 1,360.00
			30071019-01	6/20/03-6/27/03	\$ 1,500.00
			30092342-01	7/28/03-8/8/03	\$ 1,320.00
			40009280-01	12/9/2003	\$ 1,007.00
			30009760-01	11/27/2002	\$ 1,059.00
			30094424-01	7/22/2003	\$ 1,568.80
			20074973-01	5/15/2002	\$ 799.30
			40004019-01	11/12/2003	\$ 782.00
			40057838-01	5/5/2004	\$ 782.00
			30094428-01	8/16/03-8/22/03	\$ 880.00
			40021067-10	1/9/2004	\$ 674.00
			30094440-01	8/23/03-8/29/03	\$ 880.00
			30092365-01	8/9/03-8/15/03	\$ 770.00
Burns, Kristi	Self	022563525	20023402-01	1/13/2002	\$ 2,351.89
			40057846-02	5/11/2004	\$ 1,210.00
			40099955-01	9/20/2004	\$ 1,138.80
			40057844-02	5/11/2004	\$ 965.00
Butland, Dale	Susan	023408251	40087537-01	8/10/2004	\$ 1,238.88
			40021092-01	2/6/2004	\$ 1,133.30
			40066871-01	6/11/2004	\$ 695.35
Cahoon, Deborah	Timothy	003421295	20079618-01	6/11/2002	\$ 2,204.94
			40116109-01	12/8/2004	\$ 802.00
Cannon, Michael	Beth	015663654	40049437-01	4/9/2004	\$ 2,909.73
			40049471-01	4/9/2004	\$ 2,070.00
Canual, Robert	Self	018548814	40057851-01	4/28/2004	\$ 930.80
			40015564-01	1/12/2004	\$ 1,650.00
Carlson, Richard	Candy	002527879	20106921-01	8/19/2002	\$ 1,859.00
			20105518-01	8/19/2002	\$ 1,621.93

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Carlson, Richard	Stacey	002527879	40049491-01	4/27/04-4/28/04	\$ 850.42
Case, Roger	Self	073602295	20102031-01	7/19/2002	\$ 731.17
			40083411-01	7/30/2004	\$ 750.00
			40054161-01	5/13/2004	\$ 700.00
Cashin, William	Eileen	034321392	20120618-01	10/15/2002	\$ 1,230.00
Chabot, Roger	Self	007764135	40069812-01	6/11/2004	\$ 2,126.00
			40069813-01	6/11/2004	\$ 973.00
Chamberlain, Carol	Self	002304552	20120467-01	10/11/2002	\$ 1,049.25
			20110757-01	10/11/2002	\$ 710.00
Chamberlain, Marcel	Self	002265924	10103096-01	7/28/01-8/1/01	\$ 61,739.93
			40099981-01	6/23/2004	\$ 2,323.80
			40023665-01	2/17/2004	\$ 1,625.00
			20026926-01	9/23/2001	\$ 505.55
Chamberlain, Nancy	Self	008429649	20074977-01	5/20/2002	\$ 1,912.95
			20106066-01	9/6/2002	\$ 1,717.07
			20074978-01	5/21/2002	\$ 592.00
Chartier, John	Self	055329429	40029331-01	12/3/2003	\$ 3,000.00
			20008272-01	1/4/2002	\$ 1,395.68
			40029326-01	11/17/03-11/20/03	\$ 1,150.00
			40005739-01	12/3/03-12/19/03	\$ 902.50
			40029327-01	11/20/2003	\$ 1,000.00
			40029332-01	12/5/2003	\$ 850.00
			40029335-01	12/12/03-12/17/03	\$ 850.00
			40007588-01	12/23/03-12/24/03	\$ 850.00
			40029324-01	11/20/03-11/26/03	\$ 850.00
			40029329-01	11/28/03-12/4/03	\$ 850.00
			40049689-01	11/19/2003	\$ 539.00
Chauvin, Richard	Self	033382809	20104111-01	7/30/2002	\$ 2,220.00
			30006092-01	7/9/2002	\$ 1,440.00
			20105616-01	8/26/02-8/28/02	\$ 1,605.00
			20105998-01	7/25/2002	\$ 11,114.46

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20116488-01	8/28/2002	\$ 1,050.00
			20108369-01	7/31/02-8/14/02	\$ 900.00
			20116775-01	7/19/02-7/31/02	\$ 780.00
			20108367-01	7/31/02-8/2/02	\$ 585.60
			20117048-01	7/9/2002	\$ 1,509.85
			20103922-01	8/25/2002	\$ 522.61
Cheney, Phillip	Elizabeth	022329302	30061997-01	5/15/2003	\$ 2,947.00
			30050108-01	4/30/2003	\$ 1,217.00
Cheney, Phillip	Self	022329302	20002699-01	12/6/2001	\$ 1,545.00
			20004804-01	1/7/2002	\$ 1,950.00
Clark, Donald	Jane	014368897	40087344-02	8/3/2004	\$ 2,190.00
			40099990-01	10/1/2004	\$ 1,656.00
			40090173-02	8/3/2004	\$ 560.00
Clayton, Jason	Constance	231084505	30031103-01	2/12/03-2/13/03	\$ 1,568.92
Clayton, Jason	Self	231084505	10145257-01	11/27/2001	\$ 800.00
Companion, Susan	Self	008523777	40114264-01	11/17/2004	\$ 631.75
			40101892-01	10/7/2004	\$ 545.00
Corey, Erika	Emma	058622424	40090970-01	5/27/03-12/17/03	\$ 1,520.00
Craker, Peggy	Self	455720740	40005461-01	1/6/2004	\$ 4,053.79
			40099653-01	8/16/2004	\$ 1,380.00
			40014685-02	1/30/04-2/2/04	\$ 1,027.94
			40088065-01	8/16/2004	\$ 1,000.00
			40013104-01	1/6/2004	\$ 958.00
			40018172-01	1/23/2004	\$ 616.00
Crammond, Gary	Gary	075381957	10120236-01	7/25/2001	\$ 688.16
Curriu, Stephen	Self	312621090	40018193-01	1/12/2004	\$ 1,484.66
			40007273-01	12/23/2003	\$ 1,041.30
			40018194-01	1/12/2004	\$ 1,350.00
Curriu, Stephen	Anne Marie	312621090	40018180-02	1/22/2004	\$ 1,197.55
Curriu, Stephen	Self	312621090	40108030-01	10/26/2004	\$ 1,000.00
Dahlberg, Eric	Self	008460014	40100001-01	9/24/2004	\$ 2,131.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40080091-01	7/7/2004	\$ 755.00
			40111474-01	11/5/2004	\$ 500.00
Dahlberg, Eric	Amanda	008460014	20104824-01	7/10/2002	\$ 1,583.56
Dahlberg, Eric	Daniel	008460014	10109548-01	8/21/2001	\$ 1,650.00
Dailey, Alicia	Mark	009629575	20038916-01	1/4/2002	\$ 2,701.94
			40108347-01	10/6/04-11/9/04	\$ 1,005.00
Dailey, Alicia	Cory	009629575	20068555-01	5/21/2002	\$ 1,520.00
Dailey, Alicia	Self	009629575	40096580-01	8/3/04-9/28/04	\$ 740.00
Daly, Richard	Self	157369360	40092643-01	8/24/2004	\$ 2,817.00
Daly, Richard	Mary	157369360	40090194-01	6/3/2004	\$ 983.25
			20105685-01	7/22/02-7/23/02	\$ 892.00
Dansereau, Todd	Hillary	008706340	40108785-01	10/28/2004	\$ 552.00
Darby, Wayne	Self	174360913	20017386-01	1/15/2002	\$ 1,696.00
Daugirda, Thomas	Self	008483480	40078741-01	5/22/2004	\$ 812.70
Davis, David	Jaime	258868992	40008509-01	12/10/2003	\$ 4,425.00
Davis, David	Self	258868992	40087095-01	7/30/2004	\$ 1,576.00
			40069829-01	6/15/2004	\$ 795.02
Davis, David	Josiah	258868992	40071950-01	6/30/2004	\$ 2,090.00
Davis, David	Julie	258868992	40111864-01	11/1/2004	\$ 900.00
			40096286-01	9/8/2004	\$ 729.00
Davis, David	Joshua	258868992	40115257-01	11/11/2004	\$ 774.65
Deberadinis, Kenneth	Debra	018467864	10121386-01	7/11/2001	\$ 5,006.48
			10102388-01	7/11/2001	\$ 5,470.00
Decker, Ginger	Self	007546635	40044465-02	4/8/2004	\$ 1,300.00
Decoster, Mechelle	Self	016645976	30052189-02	4/14/03-4/15/03	\$ 977.38
Disilits, Raymond	Self	001386202	40044466-01	4/5/2004	\$ 1,029.41
Dipace, Tricia	Self	013708849	40001629-01	12/25/2003	\$ 2,500.00
Dipace, Tricia	Joshua	013708849	40009460-01	12/25/03-12/27/03	\$ 2,567.53
Donaldson, Jeffrey	Heather	069625060	40102094-02	9/14/2004	\$ 1,039.73
Downie, Dana	Self	021626013	10108270-01	8/13/2001	\$ 1,153.00
Downs-Will, Bridget	Self	260271908	20031776-01	1/10/2002	\$ 900.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20059563-01	3/4/2002	\$ 1,235.50
Doyle, Florence	Self	009500618	20109620-01	9/12/2002	\$ 808.72
			20112185-01	9/12/2002	\$ 925.00
Doyle, Florence	Edward	009500618	40049721-01	4/28/2004	\$ 622.00
Doyon, Donald	Jamie	008405989	20093306-01	7/12/2002	\$ 946.00
Driscoll, Carl	Self	20065180	20065180-01	5/24/2002	\$ 1,735.00
Drummond, William	Self	014525854	40113659-01	11/13/2004	\$ 1,757.80
Dubuque, Michael	Kary	008709655	40114281-01	10/28/2004	\$ 1,818.00
			40061061-01	5/27/2004	\$ 1,016.00
			40111484-01	10/31/2004	\$ 675.00
Dubuque, Michael	Adam	008709655	40111919-01	10/31/04-11/1/04	\$ 865.51
Duell, Stephen	Self	076441337	40080132-01	6/25/2004	\$ 644.53
Dufort, Marilyn	Self	029365043	40060239-01	5/25/2004	\$ 1,079.00
Dunn, Dana	Kevin	008548687	10108262-01	8/10/2001	\$ 1,172.00
Dunn, Dana	Kathleen	008548687	40069869-01	4/21/2004	\$ 2,189.19
Durand, Anthony	Self	028323977	20039127-01	2/20/02-2/22/02	\$ 2,507.50
			20039086-01	2/16/2002	\$ 1,549.75
			20124958-01	10/28/2002	\$ 868.00
Durham, Jason	Self	155624125	20127631-01	10/21/2002	\$ 2,362.25
			10105366-01	7/12/01-7/13/01	\$ 1,914.30
			10112035-01	7/25/2001	\$ 971.00
			10105143-01	7/10/2001	\$ 961.00
			40091954-01	8/30/2004	\$ 857.50
			10113348-01	7/23/2001	\$ 584.00
			10105454-01	7/20/2001	\$ 565.00
Durkin, Kathleen	Self	030302964	20105428-01	8/19/2002	\$ 2,555.25
			20106127-01	7/25/2002	\$ 2,168.00
			40044506-01	3/8/2004	\$ 1,890.93
			40031139-01	2/6/2004	\$ 1,571.47
			20109759-01	8/19/2002	\$ 1,450.00
			20106116-01	4/9/2002	\$ 867.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20109702-01	7/25/2002	\$ 900.00
			20026848-01	12/31/2001	\$ 827.00
Duso, Linda	Self	059427015	10120231-01	7/19/2001	\$ 617.33
Duso, Bernard	Erika	078662855	40004029-01	12/22/2003	\$ 1,650.99
			40000186-01	12/6/2003	\$ 1,588.15
			40064977-01	5/26/2004	\$ 1,478.00
			20052946-01	1/24/02-1/25/02	\$ 1,365.20
			40054182-01	5/7/2004	\$ 1,125.00
			40007596-01	12/6/2003	\$ 1,092.00
			40111794-01	10/21/2004	\$ 1,131.34
			30115793-01	10/14/2003	\$ 1,069.00
			40054183-01	5/7/2004	\$ 1,540.00
			40088481-01	5/5/2004	\$ 895.39
			30129888-01	11/24/03-11/25/03	\$ 2,118.00
			40001528-01	11/24/03-11/26/03	\$ 905.00
			40067516-01	6/7/2004	\$ 579.77
Duso, Bernard	Julia	078662855	20121456-01	7/11/2002	\$ 1,208.31
			40092663-02	7/20/2004	\$ 762.40
Duso, Bernard	Self	078662855	30082571-01	7/21/2003	\$ 725.00
Eastman, Robert	Darlene	144442179	20038972-01	2/7/2002	\$ 2,793.21
Eaton, Robert	Self	010526432	20025643-01	2/20/2002	\$ 3,293.20
			40067442-02	5/19/2004	\$ 4,000.00
			40067442-01	5/19/2004	\$ 4,000.00
			40060492-01	5/19/2004	\$ 1,507.00
Eaton, Robert	Elizabeth	010526432	40087297-01	7/30/2004	\$ 3,000.00
			40078318-01	7/30/04-8/1/04	\$ 4,797.56
			40029432-01	2/20/2004	\$ 715.00
Ecker, Harry	Self	043361286	40001779-01	12/8/2003	\$ 1,601.00
Ecker, Harry	Robert	043361286	40000339-01	12/8/2003	\$ 1,586.00
Ellis, Steven	Kathryn	0265021330	40009467-02	12/2/03-12/31/03	\$ 2,117.00
			40057889-02	5/7/2004	\$ 1,171.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40069939-01	6/14/2004	\$ 954.00
			40061935-01	5/14/2004	\$ 674.00
			40113784-01	11/4/2004	\$ 674.00
Ellis, Steven	Courtney	0265021330	20115394-01	9/9/2002	\$ 5,165.00
Ellsworth, Jeffrey	Karen	019461996	40111493-01	11/12/2004	\$ 3,018.00
			40098808-02	8/18/2004	\$ 2,167.00
			40115303-01	11/16/04-11/23/04	\$ 1,221.44
			40111490-01	11/12/2004	\$ 1,327.11
			40116153-01	11/13/2004	\$ 1,010.00
Ewertz, Deborah	David	525132745	40088945-01	1/12/2004	\$ 1,270.12
			40060050-01	1/12/2004	\$ 800.00
Feldmus, Aaron	Chelsey	006689109	40044520-01	4/5/2004	\$ 881.00
Feldmus, Aaron	Felicia	006689109	40088499-01	8/6/2004	\$ 550.00
Ferland, Cynthia	Self	008506725	40114289-01	11/14/2004	\$ 2,068.76
			10123446-01	10/2/2001	\$ 1,120.00
			40115312-01	11/18/2004	\$ 607.00
			40114288-01	11/14/2004	\$ 503.00
Fillo, Joseph	Self	048486181	40116170-01	11/30/2004	\$ 988.00
Firda, Thomas	Self	016648757	40077929-01	7/8/2004	\$ 1,650.00
			40099562-01	8/10/2004	\$ 1,040.00
Flagg, Donna	Self	141628392	40004042-01	11/18/2003	\$ 1,223.74
			40054235-01	4/25/2004	\$ 902.00
			40064990-01	4/25/2004	\$ 527.00
Fletcher, Rosalie	Self	008586909	40049744-01	2/19/2004	\$ 581.34
Florence, Tricia	Teagan	503045563	20116341-01	9/25/2002	\$ 1,161.21
Florence, Tricia	Self	503045563	20008939-01	7/20/2001	\$ 1,068.10
			20008938-01	7/20/2001	\$ 698.00
Florence, Tricia	Taylor	503045563	40029438-01	2/22/2004	\$ 748.71
Forrest, Chad	Chad	136584483	20104030-01	10/11/2001	\$ 1,208.00
			40096690-02	9/4/2004	\$ 736.00
			20104026-01	10/11/2001	\$ 512.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Forrest, Chad	Jasmyne	136584483	20104045-01	1/22/2002	\$ 730.00
Fox, Melissa	Self	535047996	40116173-01	11/29/2004	\$ 1,245.00
			40096293-01	9/14/2004	\$ 1,650.00
Fredrette, Ronald	Joshua	009461417	40015755-01	1/2/04-1/3/04	\$ 1,494.46
Furst, Daniel	Self	006721188	20106105-01	7/26/2002	\$ 1,971.23
Furst, Daniel	Jeremy	006721188	30069920-01	6/19/2003	\$ 815.00
Furst, Daniel	Jeffrey	006721188	40092677-02	8/16/2004	\$ 640.50
			20121610-01	9/12/2002	\$ 1,160.00
Furst, Daniel	Diane	006721188	40115327-01	11/10/2004	\$ 583.18
Gagne, Brian	Rebecca	022525330	10103546-01	7/20/01-7/21/01	\$ 2,001.56
Gagne, Brian	Charlene	022525330	40083463-01	7/19/2004	\$ 950.00
Gahan, Nancy	Self	888100132	40061065-01	5/21/2004	\$ 2,094.00
			40092686-01	8/26/2004	\$ 1,045.00
			40070768-01	6/17/2004	\$ 751.00
Gahan, Nancy	Philip	888100132	40086659-02	7/21/2004	\$ 1,132.26
Gates, Josiah	Self	009688422	40042349-02	3/27/2004	\$ 687.02
Giammolvo, Scott	Amy	025686700	20127643-01	11/6/02-11/7/02	\$ 1,354.80
Gillis, Thomas	Ashley	004703588	20121449-01	10/10/2002	\$ 1,399.26
			40096697-01	9/17/2004	\$ 1,560.00
Gillis, Thomas	Brenda	004703588	40018495-01	1/23/2004	\$ 1,100.00
Gillis, Thomas	Megan	004703588	40096577-01	5/23/2004	\$ 966.16
Ginn, Jeffrey	Self	002384306	40072928-01	6/12/2004	\$ 1,005.43
			40070772-01	6/10/2004	\$ 942.00
			40067545-01	6/10/2004	\$ 620.00
Goldsmith, Donald	Lori	006560212	40061955-01	3/23/2004	\$ 774.40
Goodfield, Robert	Self	032366479	20107229-01	8/21/2002	\$ 755.00
Goudreau, Andrew	Judy	009325847	20124904-01	10/14/2002	\$ 1,310.10
			20121441-01	10/14/2002	\$ 685.00
Goodreau, Jacques	Doreen	009425140	40083494-01	7/22/2004	\$ 754.00
Goodreau, Jacques	Self	009425140	10105175-01	7/14/2001	\$ 875.00
Graffam, Robert	Self	007521183	40091910-02	7/14/04-8/19/04	\$ 949.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Grant, Alan	Sarah	030606810	40063720-01	4/30/04-5/4/04	\$ 2,940.00
Grant, Alan	Rhea	030606810	40047182-01	4/8/04-4/9/04	\$ 1,940.15
			40052514-01	4/30/2004	\$ 962.00
			40054272-01	4/27/2004	\$ 679.40
Gregory, Michael	Self	001546023	40087063-01	8/6/2004	\$ 2,151.74
			40095620-01	8/6/2004	\$ 900.00
Grytebust, Albert	Stephanie	130620640	40077940-01	7/13/2004	\$ 2,100.00
			40080158-01	7/13/2004	\$ 2,050.90
			40057923-01	5/10/2004	\$ 1,874.27
Haile, Nick	Benjamin	009561010	40023969-01	2/3/2004	\$ 1,241.71
			40023970-01	2/4/2004	\$ 601.71
Haines, Jason	Kirsten	007702700	40116027-01	12/12/2003	\$ 797.00
Haley, Reginald	Sharon	008345689	40100533-01	9/14/2004	\$ 524.28
Hall, Richard	Self	027463081	20105157-01	8/21/2002	\$ 930.00
			20102037-01	7/8/2002	\$ 1,078.00
			20105154-01	8/21/2002	\$ 631.00
Hannula, Lynn	Self	016585115	40056406-01	6/4/04-6/6/04	\$ 4,917.25
			40067640-01	6/4/2004	\$ 700.00
			40013247-01	12/30/2003	\$ 674.00
Hart, Army	Self	065480247	20038969-01	2/12/2002	\$ 4,665.04
			20059839-01	2/12/2002	\$ 3,485.00
			20023326-01	1/23/2002	\$ 1,763.96
			20038671-01	2/12/2002	\$ 1,040.00
			40111567-01	11/2/2004	\$ 1,172.41
			20004174-01	12/18/2001	\$ 790.18
			20021127-01	2/7/2002	\$ 651.69
Hayward, Helen	Merlin	008301407	20038983-01	2/7/2002	\$ 869.00
Herschel, Chad	Dekota	008488850	40053929-01	5/10/2004	\$ 1,155.00
Herschel, Chad	Aimee	008488850	20009103-01	12/11/2001	\$ 745.00
			40067643-01	6/16/2004	\$ 760.00
Herschel, Chad	Self	008488850	40096310-01	9/23/2004	\$ 667.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40095617-01	7/14/2004	\$ 696.00
Herschel, Dennis	Self	008549295	40015842-01	3/31/2003	\$ 1,348.00
Hickey, Kristine	Self	022666003	40070798-01	6/12/2004	\$ 950.00
			40070801-01	6/12/04-6/16/04	\$ 950.00
Hoag, Jeffrey	Rhonda	009582680	10097462-01	7/3/2001	\$ 1,936.00
			40001787-01	12/19/2003	\$ 979.28
Hoag, Jeffrey	Kerri	009582680	20015780-01	1/2/2002	\$ 1,587.00
Hodgeman, Gregory	Kailianne	008628196	40090259-01	8/9/2004	\$ 924.00
Hodgeman, Gregory	Justin	008628196	40042608-02	3/28/2004	\$ 837.00
Holland, Keven	Self	003506182	40094251-01	8/24/2004	\$ 1,925.46
			40026995-01	2/12/2004	\$ 1,460.68
			40090266-01	8/12/2004	\$ 1,334.39
			40116219-01	12/2/2004	\$ 1,134.00
			40072973-01	6/11/04-6/12/04	\$ 988.17
			40108941-01	10/15/2004	\$ 746.94
			40047209-01	3/31/2004	\$ 612.26
Holland, Keven	Harley	003506182	40044683-01	4/9/2004	\$ 2,099.00
			40073344-01	6/10/04-6/11/04	\$ 1,006.00
			40060518-01	5/14/2004	\$ 882.00
			40067703-01	6/10/2004	\$ 756.00
Holland, Keven	Debra	003506182	40088627-01	5/31/2004	\$ 594.13
Holland, Keven	Christopher	003506182	40088907-02	8/1/2004	\$ 945.91
Holland, Kim	Self	003506182	40013327-01	12/28/03-12/29/03	\$ 949.39
			40076991-01	6/23/2004	\$ 864.48
			40108108-01	10/6/2004	\$ 730.10
Holland, Ralph	Self	259178066	40083559-01	7/20/2004	\$ 1,000.00
Hoover, Amy	Self	027586977	40060276-01	6/12/04-6/18/04	\$ 3,424.17
			40029167-02	1/26/04-3/1/04	\$ 1,164.00
			40070805-01	6/10/2004	\$ 757.00
Hough, Richard	Self	114689246	20115351-01	8/18/2002	\$ 2,297.12
			40073308-01	3/26/2004	\$ 1,426.76

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			10120232-01	8/29/2001	\$ 1,145.50
			10123683-01	8/29/2001	\$ 960.00
Hough, Richard	Joshua	114689246	40105463-01	5/31/2004	\$ 621.88
Houle, Carol	Self	013425442	40117013-01	12/15/2004	\$ 1,600.00
			20010843-01	1/15/2002	\$ 863.00
House, Jamey	Indigo	005729454	20118638-01	10/4/2002	\$ 681.30
Howell, Ryan	Alex	010382236	30029926-01	2/24/2003	\$ 4,150.00
Hudson, Joshua	Self	052705851	20071827-01	6/19/2002	\$ 1,075.00
Hughes, Bryan	Self	011641822	20007746-01	1/15/2002	\$ 1,030.00
Inburg, William	Self	074689738	20124943-01	6/10/2002	\$ 1,114.20
Jackson, Gregory	Self	072684550	20118262-01	10/8/2002	\$ 1,825.00
			20112219-01	1/23/2002	\$ 1,730.00
			20002627-01	11/12/2001	\$ 1,404.00
Jackson, Lisa	Self	008566106	20103817-01	7/1/02-7/16/02	\$ 607.50
Jankowski, Matthew	Self	187344590	10114149-01	9/17/2001	\$ 700.00
Johnson, Kenneth	Self	007501866	40001991-01	11/26/2003	\$ 1,905.00
			40004194-01	12/17/2003	\$ 1,426.00
			40007419-01	12/17/2003	\$ 3,734.00
			40001994-01	11/26/2003	\$ 922.00
			40007424-01	12/17/2003	\$ 1,867.00
Johnson, Stephanie	Self	025561129	40101703-01	10/8/2004	\$ 1,650.00
Joseph, Troy	Shannon	009420870	10113424-01	7/21/01-7/22/01	\$ 6,563.74
			10099490-01	7/21/2001	\$ 2,648.00
			40027001-01	2/2/2004	\$ 2,132.00
			10121340-01	7/31/2001	\$ 1,720.00
			20102071-01	8/14/2002	\$ 1,500.00
			10113472-01	7/21/2001	\$ 770.00
			20105779-01	8/14/2002	\$ 800.00
			40061972-01	5/26/2004	\$ 798.00
			40021318-01	1/20/2004	\$ 687.57
			40029463-01	2/10/2004	\$ 500.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Joseph, Troy	Self	009420870	20023303-01	1/10/02-1/11/02	\$ 1,855.15
Joseph, Troy	Abigail	009420870	20053719-01	3/3/2002	\$ 815.69
			40000203-01	12/13/2003	\$ 784.50
			20128237-01	11/4/2002	\$ 787.25
Karads, John	Frances	009303855	20013752-01	1/23/2002	\$ 2,350.00
Kassel, Jeffrey	Self	152484538	30121383-01	10/9/2003	\$ 1,175.00
Kilgore, Douglas	Self	231028041	20112238-01	9/14/02-9/17/02	\$ 900.00
			20116326-01	9/14/2002	\$ 635.24
Kilgore, Douglas	Janna	231028041	20127620-01	4/16/2002	\$ 702.00
			20128232-01	4/11/2002	\$ 547.20
King, Arlene	Self	014424817	20101798-01	7/18/2002	\$ 836.00
			40098685-01	9/17/2004	\$ 600.00
			40076999-01	7/8/2004	\$ 701.09
King, Barry	Cynthia	002565988	40031247-01	2/26/2004	\$ 1,888.00
			50013501-01	5/10/2004	\$ 1,840.00
			40061068-01	5/7/2004	\$ 1,715.00
			40102461-01	9/1/04-9/30/04	\$ 1,247.00
			40021321-02	1/2/04-1/27/04	\$ 1,050.00
			40095828-01	8/18/04-8/31/04	\$ 831.30
			40061974-01	5/10/2004	\$ 910.00
			40073310-01	6/28/2004	\$ 910.00
			40111583-01	10/1/04-10/31/04	\$ 821.00
			40007453-01	12/22/03-12/29/03	\$ 635.00
King, Barry	Danielle	002565988	40018527-01	1/22/2004	\$ 606.60
Kingsley, Robyn	Edgar	002586874	40049818-01	4/8/04-4/22/04	\$ 682.68
Konik, Justin	Jennifer	063642497	20014397-01	10/11/2001	\$ 3,814.48
			10143132-01	10/11/2001	\$ 3,000.00
			20014395-01	10/7/2001	\$ 870.41
			40088648-01	8/20/2004	\$ 803.11
Konik, Justin	Mackenzie	063642497	20014398-01	10/11/01-10/13/01	\$ 1,586.97
Kosakowski, Linda	Dennis	011387084	40067441-02	5/17/2004	\$ 4,000.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40067441-01	5/17/2004	\$ 4,000.00
			40065036-01	5/17/2004	\$ 900.00
Kucerak, Milan	Dawn	105309851	40098253-02	8/30/2004	\$ 669.00
Labeau, Darryl	Courtney	571437672	20023479-01	2/14/07-2/17/07	\$ 9,466.25
			10126823-01	10/8/2001	\$ 651.34
Labeau, Darryl	Cassidy	571437672	30003824-01	6/4/2002	\$ 563.00
Labeau, Darryl	Jeneen	571437672	10125071-01	5/21/2001	\$ 796.00
Labombard, Howard	Self	132420934	40086857-01	7/14/2004	\$ 2,347.76
			40086856-01	7/14/2004	\$ 1,100.00
			50014474-01	7/15/2003	\$ 832.70
Labombard, Howard	Margaret	132420934	40065040-01	5/4/04-5/28/04	\$ 2,035.77
			40060509-01	5/24/2004	\$ 1,820.00
			40047236-01	4/5/2004	\$ 1,709.94
			40047251-01	4/12/2004	\$ 1,709.94
			40052341-01	4/2/04-4/29/04	\$ 1,618.89
			40060611-01	5/24/2004	\$ 1,730.44
			40047225-01	4/5/2004	\$ 1,738.50
			40047265-01	4/19/2004	\$ 1,738.50
			40047247-01	4/12/2004	\$ 1,688.50
			40052344-01	4/30/2004	\$ 1,055.47
			40058402-01	4/5/2004	\$ 850.00
			40058404-01	4/13/2004	\$ 850.00
			40071270-01	5/18/2004	\$ 850.00
			40089098-01	5/25/2004	\$ 850.00
			40043418-01	3/17/04-3/18/04	\$ 2,325.00
			40053938-01	4/5/04-4/6/04	\$ 2,000.00
			40002506-01	10/8/2003	\$ 539.00
			40077012-01	5/11/2004	\$ 539.00
			40080175-01	1/12/2004	\$ 539.00
			40080176-01	3/5/2004	\$ 539.00
			40102561-01	9/24/2004	\$ 539.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40039474-01	3/17/2004	\$ 1,400.00
Labrecque, Kenneth	Betany	008600947	10110197-01	8/30/2001	\$ 4,200.00
Labrecque, Kenneth	Kaitlyn	008600947	20120328-01	9/26/2002	\$ 773.32
Labrecque, Kenneth	Kendra	008600947	40093432-01	9/3/2004	\$ 682.00
			40095204-01	9/9/2004	\$ 595.00
Lacroix, Roger	Self	008500963	20075526-01	6/11/2002	\$ 2,772.00
			20052881-01	1/17/02-1/24/02	\$ 2,837.00
			20038666-01	2/19/2002	\$ 531.00
Lacroix, Roger	Brenda	008500963	40086860-01	7/19/2004	\$ 1,700.00
Lafferty, John	Self	021404409	20121573-01	6/1/2002	\$ 732.77
Laliberte, Paula	Self	024324108	40116228-01	11/22/2004	\$ 3,346.00
			40098260-01	9/24/2004	\$ 2,690.00
			40098259-01	9/24/2004	\$ 4,329.00
			40102563-01	9/29/2004	\$ 1,756.00
Landry, Erana	Self	020349254	40086864-01	7/22/2004	\$ 1,996.00
Lane, Arthur	Self	013367937	20106959-01	8/27/2002	\$ 2,522.00
			20105632-01	8/27/2002	\$ 1,208.00
			20101397-01	7/31/2002	\$ 1,056.00
			20116328-01	9/25/2002	\$ 790.00
			20128853-01	11/12/2002	\$ 683.00
Lapointe, Eric	Tyler	010540649	20106441-01	9/3/2002	\$ 1,026.74
Lapointe, Gregory	Self	007722723	20001076-01	11/14/2001	\$ 9,453.17
			10123368-01	8/19/2001	\$ 1,702.00
Lapointe, Gregory	Ann Marie	007722723	20051569-02	3/22/2002	\$ 2,163.54
			20053732-01	1/31/2002	\$ 766.00
Lapointe, Gregory	Brandon	007722723	40043458-01	3/15/2004	\$ 795.00
Larson-Moran, Denise	Self	031404523	40087090-01	7/22/2004	\$ 3,044.00
			40096745-01	9/2/2004	\$ 2,728.00
			20066985-01	5/16/2002	\$ 1,701.41
			40098262-01	9/14/2004	\$ 1,326.00
			40096751-01	9/14/2004	\$ 1,125.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40091884-01	8/20/2004	\$ 1,007.80
			40087087-01	7/22/2004	\$ 1,009.00
			40065043-01	5/28/2004	\$ 682.00
			40080185-01	7/15/2004	\$ 749.00
			40087089-01	7/15/2004	\$ 750.00
Law, Gary	Jennifer	009462740	40087347-01	8/3/2004	\$ 866.00
			40030784-01	1/11/2004	\$ 950.00
Leblond, Ronald	Bonnie	039386496	40098517-01	9/16/2004	\$ 2,205.00
			40096307-02	9/16/2004	\$ 1,056.00
			40098497-01	8/28/2004	\$ 934.00
			40084293-01	8/28/04-8/30/04	\$ 646.73
			40103477-01	8/28/2004	\$ 600.00
Leblond, Ronald	Sara	039386496	40062246-01	4/29/2004	\$ 1,072.83
Leger, Giselle	Tyler	030582208	20124381-01	10/18/2002	\$ 879.00
Leger, Giselle	Self	030582206	30041107-01	3/26/2003	\$ 672.00
Lemoine, Madeline	Self	003308295	40061073-01	5/19/2004	\$ 2,030.25
			40057937-01	5/6/04-5/7/04	\$ 1,214.00
			40065052-01	5/19/2004	\$ 1,129.00
			40047298-01	4/1/2004	\$ 781.40
			40100097-01	9/16/2004	\$ 781.40
			40054581-01	5/7/2004	\$ 897.00
			20110189-01	9/5/2002	\$ 661.70
			40057938-01	5/19/2004	\$ 616.00
Letourneau, Robert	Tanya	008582975	30092368-01	8/14/2003	\$ 825.00
			30092366-01	8/13/2003	\$ 675.00
Lison, Richard	Self	010329962	40049898-01	4/19/2004	\$ 1,830.00
			40054584-01	4/20/2004	\$ 580.00
Lord, Jonathan	Abigail	003629383	40031257-01	2/24/2004	\$ 568.50
Lord, Jonathan	Self	003629383	40057940-01	11/13/03-11/14/03	\$5,957.00
Lucy, Karole	Self	003541101	40021337-01	1/22/04-1/23/04	\$ 7,333.49
			40057335-01	1/5/2004	\$ 3,400.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40013368-01	1/5/2004	\$ 1,583.15
			40015893-01	1/5/2004	\$ 1,704.00
			40015900-01	1/22/2004	\$ 1,015.00
			40015895-01	1/15/2004	\$ 540.00
			40007614-01	1/5/2004	\$ 528.00
Lucy, Karole	Kaylie	003541101	20106961-01	5/28/2002	\$ 1,635.00
			40077038-1	7/5/2004	\$ 1,342.42
			40018545-01	1/23/2004	\$ 1,269.00
			20106972-01	3/19/2002	\$ 1,026.00
			20106973-01	3/11/2002	\$ 534.00
			40077041-01	7/5/2004	\$ 759.00
Lucy, Karole	Parker	003541101	40102581-01	10/3/2004	\$ 1,558.25
			40090289-01	8/10/2004	\$ 526.80
Machia, Miranda	Kyle	009603901	20052958-01	2/26/02-2/27/02	\$ 1,559.61
Mackay, John	Sandra	017509173	20106113-01	8/31/2002	\$ 984.00
Mackay, John	Self	017509173	20110211-01	1/9/02-4/9/02	\$ 1,440.00
Magliacane, Doreen	Self	020582876	20039096-01	2/16/02-2/17/02	\$ 9,788.66
Magoon, Wendall	Brendan	009642362	20128679-01	11/8/2002	\$ 1,120.05
			20128791-01	11/8/2002	\$ 862.00
Maitland, Kellie	Bruce	175567963	40088673-02	8/17/2004	\$ 611.60
Martin, Lynn	Self	133500163	40111634-01	11/3/2004	\$ 1,404.62
Maruszewski, Paul	Kathryn	086487955	40105605-01	10/12/2004	\$ 765.00
Maruszewski, Paul	Self	086487955	40108192-01	10/21/2004	\$ 1,045.00
Mattson, Michael	Ryan	031547580	20039028-01	2/12/2002	\$ 629.00
Maxfield, Bridgette	Branden	009703266	20101836-01	8/8/2002	\$ 2,255.00
			20101834-01	8/8/2002	\$ 825.00
Mayer, Paul	Self	008385222	40007634-01	12/16/2003	\$ 840.00
Mayville, Leonard	Self	122284901	20039107-01	2/12/02-2/17/02	\$ 13,715.79
			20059798-01	2/12/2002	\$ 1,190.00
Mayville, Leonard	Anna	122284901	10124082-01	8/19/2001	\$ 1,350.52
Mazza, John	John	097602685	10118442-01	8/10/01-8/12/01	\$ 4,158.01

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20101908-01	7/18/2002	\$ 1,157.23
			10120244-01	7/31/01-8/24/01	\$ 655.00
Mazza, John	Self	097602685	40027166-01	2/11/2004	\$ 3,121.46
McAdams, James	Self	463997325	40018565-01	1/22/2004	\$ 853.03
McCarthy, Carol	John	014407451	40043497-01	4/20/2004	\$ 1,914.50
			40114477-01	11/10/2004	\$ 1,930.74
			40070068-01	6/29/04-6/30/04	\$ 4,403.52
			40073735-01	6/29/2004	\$ 1,419.50
			40062187-01	6/1/2004	\$ 1,370.00
			40049973-01	4/16/04-4/20/04	\$ 1,147.40
			40062010-01	5/27/2004	\$ 1,146.29
			40087263-01	6/29/2004	\$ 962.39
			40065087-01	6/1/2004	\$ 999.60
			40083593-01	7/22/04-7/23/04	\$ 842.66
			40087290-01	7/23/2004	\$ 759.50
			40062148-01	5/27/2004	\$ 707.79
			40077102-01	6/1/2004	\$ 707.79
			40089109-01	7/22/2004	\$659.07
McCormick, Danny	Ronnie	001443430	20118333-01	10/2/2002	\$ 1,567.00
			20118339-01	10/2/2002	\$ 720.00
McGee, Ann	Albert	023427002	40077119-01	6/25/2004	\$ 5,000.00
			40105609-01	10/6/2004	\$ 2,792.50
			40109015-01	10/22/2004	\$ 2,151.00
			40037178-02	3/3/2004	\$ 1,955.00
			40070836-01	6/2/2004	\$ 3,169.71
			40027174-01	2/10/2004	\$ 1,186.00
			10123344-01	10/5/2001	\$ 1,345.00
			40065263-01	6/2/2004	\$ 1,300.00
			40100157-01	10/6/2004	\$ 610.00
McKirryher, Bradford	Self	008347496	40100166-01	10/4/2004	\$ 1,950.00
			40089021-01	8/2/2004	\$ 1,213.18

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			30076135-01	6/5/2003	\$ 845.00
McMahon, Kim	William	019500104	40073380-01	6/7/04-6/8/04	\$ 1,663.00
McMahon, Kim	Self	019500104	20006956-01	11/26/2001	\$ 787.50
			40108212-01	10/11/2004	\$ 1,350.00
			20107223-01	8/25/2002	\$ 823.03
			20116274-01	9/25/2002	\$ 750.00
McMahon, Kim	John	019500104	40013399-01	1/2/2004	\$ 1,053.00
			40004716-01	1/2/2004	\$ 900.00
			40109020-01	10/19/2004	\$ 723.00
			40013400-02	1/10/2004	\$ 1,319.00
Menz, John	Self	018503058	40004724-01	11/4/2003	\$ 1,455.00
Meredith, Robert	Self	313382266	10133999-01	9/6/2001	\$ 2,150.00
			10127510-01	9/26/2001	\$ 1,311.81
			10119464-01	9/26/2001	\$ 1,255.00
Metrano, Joseph	Shirley	028306717	30099688-01	9/16/2003	\$ 925.00
			20107246-01	4/29/2002	\$ 738.40
Michaud, Allan	Self	008383447	20124478-01	10/30/2002	\$ 815.00
Michaud, Carolyn	Self	007765130	40013402-01	12/20/03-12/21/03	\$ 1,157.26
			40105616-01	10/8/2004	\$ 721.00
			40087108-01	2/13/2004	\$ 560.25
Michener, Gary	Self	098408020	40067725-01	6/2/2004	\$ 1,375.00
Michener, Gary	Dori	098408020	40000481-01	3/20/2003	\$ 1,080.00
			40073386-01	6/24/2004	\$ 569.91
Millhime, James	Monica	162400358	30092242-02	3/27/2003	\$ 842.00
Misner, Brian	Ashleigh	028548788	40101704-01	9/24/2004	\$ 1,500.00
			40100170-01	9/23/2004	\$ 767.00
Misner, Brian	Self	028548788	40015931-02	1/14/2004	\$ 767.00
Molinaro, Carole	Self	041681519	40080198-01	7/12/2004	\$ 1,066.65
			40087287-01	7/12/2004	\$ 899.00
			40062139-01	6/2/2004	\$ 790.00
Monette, Steven	Self	008384577	20128205-01	10/18/2002	\$ 2,733.65

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40000483-01	12/10/2003	\$ 1,500.00
			40086903-01	8/1/2004	\$ 1,380.00
			30056962-01	5/12/2003	\$ 1,670.00
			30129951-01	12/9/03-12/10/03	\$ 3,085.87
			40088695-01	8/2/04-8/3/04	\$ 5,691.65
			30132468-01	12/10/2003	\$ 1,470.00
			40021517-01	12/9/2003	\$ 553.00
Moran Sr, M. Marcus	Self	030073006	50001888-01	8/20/03	\$ 3,339.00
			20022043-01	1/17/02	\$ 2,099.69
			40000228-01	11/6/03	\$ 2,045.00
			40098321-01	11/6/2003	\$ 1,810.00
			50001890-01	8/20/2003	\$ 1,430.00
			20102033-01	7/29/2002	\$ 750.00
			40027200-02	1/10/04-1/29/04	\$ 700.00
			50001889-01	8/20/2003	\$ 922.00
			40094261-01	9/13/2004	\$ 775.00
			40023996-01	1/3/2004	\$ 523.00
Morin, Alan	Self	551431850	10099483-01	7/17/2001	\$ 3,318.41
			10095725-01	7/17/2001	\$ 2,805.00
			10103577-01	7/17/2001	\$ 770.00
Morse, Ashley	Self	011709904	40061079-01	5/13/2004	\$ 5,717.23
			20120771-01	8/15/2002	\$ 1,019.00
			40060657-01	5/13/2004	\$ 627.00
			40062029-01	5/13/2004	\$ 510.00
Morse, Nancy	Self	019483976	40039515-01	3/31/2004	\$ 652.00
Muter, Kevin	Self	287743885	40095208-01	9/4/2004	\$ 506.00
Nadin, George	Self	048309641	20069912-01	5/28/2002	\$ 1,051.00
Nason, Herbert	Self	075303503	20052197-01	1/10/2002	\$ 588.00
Neal, Travis	Ethan	007762370	20128520-01	10/30/2002	\$ 1,738.00
			20128066-01	10/30/2002	\$ 580.00
Needham, Brett	Barbara	006725745	40110389-01	10/14/2004	\$ 864.48

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40007771-01	12/8/2003	\$ 641.40
			40113901-01	11/1/2004	\$ 562.38
Needham, James	Marilee	0093858241	20120615-01	10/9/02-10/28/02	\$ 1,945.00
Neves, Daniel	Self	022543582	40111854-01	10/18/2004	\$ 687.00
Newman, Mark	Jared	002447261	10103549-01	7/11/2001	\$ 653.00
Nichuals, Richard	Self	091484722	40077234-01	7/7/2004	\$ 1,891.87
			40080205-01	7/7/2004	\$ 836.00
			40067749-01	6/11/2004	\$ 594.00
			40077236-01	7/7/2004	\$ 594.00
Nielsen, Brian	Katherine	005661867	40096814-01	9/1/2004	\$ 1,496.00
			40116320-01	10/1/03-12/31/03	\$ 1,993.98
			40077261-01	6/29/2004	\$ 1,354.56
			40114521-01	11/11/2004	\$ 1,400.00
			40080207-01	6/29/2004	\$ 1,102.00
			40047378-01	4/6/04-4/21/04	\$ 750.00
			40054623-01	3/18/2004	\$ 614.00
Nielsen, Brian	Elizabeth	005661867	40049690-01	3/16-3/17/04	\$ 814.62
Norway, Donna	Self	008407166	30135411-02	11/4/03-11/30/03	\$ 1,131.00
			40009620-02	12/2/03-12/31/03	\$ 792.00
O'Connor, Keith	Self	025681748	10104748-01	7/9/2001	\$ 700.00
Olson, David	Self	028449298	20101814-01	7/23/2002	\$ 1,996.47
			40047382-01	4/19/2004	\$ 686.50
O'Neill, Susan	Samanta	020524272	20102744-01	8/3/02-8/5/02	\$ 2,795.40
			20128352-01	11/13/2002	\$ 1,060.00
			20101768-01	8/2/2002	\$ 975.00
			20102747-01	8/2/2002	\$ 760.41
Oslund, Jason	Self	025609332	20003543-01	10/11/2001	\$ 609.84
Ouellette, Roger	Self	024303550	20124392-01	10/25/2002	\$ 3,089.32
			40027225-01	1/21/2004	\$ 3,125.00
			40021536-01	1/21/2004	\$ 5,917.17
			30129836-01	11/25/2003	\$ 1,500.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40018662-01	1/21/2004	\$ 765.00
			20128239-01	10/25/2002	\$ 600.00
			20130851-01	5/10/2002	\$ 600.00
Ouellette, Roger	Joan	024303550	40102642-01	9/29/2004	\$ 1,017.00
			20127985-01	11/4/2002	\$ 924.00
			40073582-01	6/15/2004	\$ 714.00
			40071240-01	6/18/2004	\$ 750.00
			10145292-01	11/28/2001	\$1,050.00
Parsons, Mary	Stephanie	007729785	40054636-02	4/27/2004	\$ 1,428.19
Parsons, Mary	Terri	007729785	40060533-01	5/6/2004	\$ 789.38
Pasierb, Paul	Kathleen	015382401	20122777-01	10/21/2002	\$ 2,714.02
			20052956-01	2/21/02-2/22/02	\$ 12,082.95
			40097725-01	5/15/2004	\$ 751.13
			40065388-01	5/15/04-5/16/04	\$ 668.47
Patient, Heidi	Self	022609574	20053717-01	2/26/2002	\$ 7,997.37
			20050243-01	2/26/2002	\$ 900.00
			20038981-01	2/2/2002	\$ 701.33
Pederson, Louise	Stephanie	040626217	40001825-01	12/8/2003	\$ 1,328.90
			40007814-01	12/18/2003	\$ 1,170.00
			40029579-01	12/8/03-12/11/03	\$ 11,537.52
			40010499-01	12/8/2003	\$ 570.41
			40029588-01	12/8/03-12/9/03	\$ 750.00
			40029594-01	12/10/03-12/11/03	\$ 750.00
Pederson, Louise	Dwayne	040626217	40058165-01	5/7/2004	\$ 1,121.00
Pederson, Louise	Self	040626217	40058166-01	5/10/2004	\$ 972.94
			40100529-01	9/29/2004	\$ 1,650.00
Pelletier, Michael	Ashley	005642212	30062819-01	8/18/02-12/6/02	\$ 1,300.00
Pelletier, Michael	Susan	005642212	30115825-01	10/17/2003	\$ 2,354.00
Percifull, Anush	Scott	020842563	20007992-01	1/17/2002	\$ 700.00
Peterson, Martin	Lynette	014608722	20020685-01	2/19/2002	\$ 1,075.00
Pierce, Craig	Self	030544747	20127639-01	10/22/2002	\$ 1,973.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20128252-01	10/22/2002	\$ 813.00
			20058984-01	11/29/2001	\$ 675.00
Pitkin, Fred	Self	003422404	40094394-02	9/4/2004	\$ 1,281.57
			40091967-02	9/7/2004	\$ 1,460.00
			40115493-01	11/4/2004	\$ 1,295.00
			40065413-01	5/12/2004	\$ 532.79
Poirier, Randy	Judith	008520915	40073592-01	6/24/2004	\$ 700.69
Poirier, Randy	Self	008520915	40111705-01	11/11/2004	\$ 573.35
Pucillo, Ann	Self	016307057	20118400-01	9/30/2002	\$ 1,653.00
Rabideau, Danford	Self	114428324	40016456-02	1/27/2004	\$ 954.62
			40001548-01	12/3/2003	\$ 573.65
			40093086-01	5/7/2004	\$ 564.50
Racette, Pamela	Self	028647101	40062052-01	5/20/2004	\$ 674.00
Rameau, Amy	Self	016605290	20104822-01	8/14/2002	\$ 674.00
			20118030-01	9/26/2002	\$ 674.00
Rasmussen, Duncan	Catherine	023521311	40090325-01	7/29/2004	\$ 1,450.00
Reid, John	Deanne	127504187	40004067-01	12/19/2003	\$ 1,414.18
			20105595-01	8/14/2002	\$ 834.61
			40001803-01	12/17/2003	\$ 634.64
Relihan, Maurice	Self	002321754	40098482-01	9/1/2004	\$ 1,255.70
			40103476-01	9/1/2004	\$ 1,496.00
			40055852-01	5/17/2004	\$ 1,900.00
			40090326-01	8/9/2004	\$ 709.25
Remal, Brian	Self	013567837	20059699-01	1/2/2002	\$ 925.75
			20107198-01	8/15/2002	\$ 1,585.00
			20105186-01	8/15/2002	\$ 675.00
Renzi, Dawn	Korey	010585689	40105735-01	10/22/2004	\$ 1,530.00
Renzi, Dawn	Self	010585689	40086933-01	7/10/2004	\$ 688.00
Rhoades, Joseph	Self	023568011	40102650-01	9/30/2004	\$ 873.00
Rhone, Brian	Kristal	113729872	10120246-01	8/10/01-8/13/01	\$ 6,151.25
			20009924-01	1/3/2002	\$ 1,981.40

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20008259-01	9/26/2001	\$ 984.80
			10133998-01	9/12/2001	\$ 723.30
Rhone, Brian	Kandal	113729872	40044757-01	11/24/2003	\$ 595.00
Richard, Albert	Self	004581551	10123698-01	6/26/2001	\$ 1,676.83
Richard, Rene	Self	012444181	20106124-01	8/20/2002	\$ 2,690.00
			30076115-01	7/9/2003	\$ 1,450.00
			40018673-01	11/21/2003	\$ 1,650.00
			30018714-01	11/20/2002	\$ 670.20
Richard, Rene	Suzanne	012444181	40077431-01	7/2/2004	\$ 1,019.52
			40073718-01	6/29/2004	\$ 1,450.00
			40098630-01	9/15/2004	\$ 600.00
			30103007-01	9/2/2003	\$ 674.00
			40013556-01	1/7/2004	\$ 674.00
			40098715-01	9/15/2004	\$ 675.00
Richardson, Bruce	Self	001325325	30107385-01	10/6/2003	\$ 720.00
Rivard, Gloria	Self	009583222	40004081-02	12/3/03-12/26/03	\$ 800.52
Rivenburg, Scott	Tara	100746269	40088963-01	4/20/2004	\$ 1,429.56
			40093097-01	8/4/2004	\$ 520.00
Roche, Thomas	Brittany	003363681	20039129-01	2/27/2002	\$ 4,129.00
			40073802-01	7/6/2004	\$ 1,290.00
			40016047-01	1/15/2004	\$ 1,196.00
			40054704-01	4/28/2004	\$ 1,016.00
			20127613-01	2/27/2002	\$ 867.00
			40083724-01	7/13/2004	\$ 860.00
			40094254-01	8/18/2004	\$ 891.00
			40093098-01	8/18/2004	\$ 747.00
			40077482-01	7/1/2004	\$ 732.00
Rodriquez, Jason	Self	028608894	20059554-01	3/8/2002	\$ 930.00
Rosario, Louis	Self	084585432	20115352-01	9/16/2002	\$ 2,633.18
Roussib, Cathy	Self	021566985	40116475-01	11/27/2004	\$ 1,350.00
Rule, Kim	Self	060502312	20038999-01	1/22/2002	\$ 1,150.53

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Rule, Kim	Ashley	060502312	20039010-01	11/6/2001	\$ 544.09
			10110131-01	8/30/2001	\$ 676.00
Rydlowski, Darrer	Self	064743364	40087622-02	5/18/04-6/15/04	\$ 900.00
Sauve, Andre	Dawn	088568002	10123183-01	7/31/2001	\$ 717.18
Savoie, Steven	Self	025660068	20103538-01	8/20/2002	\$ 7,382.81
			20105626-01	8/20/2002	\$ 2,000.00
			20105176-01	8/20/2002	\$ 792.00
Schmid, Frank	Diane	086402380	40077483-01	7/12/2004	\$ 1,090.35
			40086970-01	7/12/2004	\$ 800.00
Schmid, Frank	Self	086402380	40083725-01	7/7/2004	\$ 720.00
			40077948-01	7/7/2004	\$ 877.00
			40080665-01	7/7/2004	\$ 596.00
			40008544-02	1/5/2004	\$ 520.00
Schoen, Walter	Self	011344307	30087462-01	6/6/2003	\$ 635.00
Scopellitti, Brian	Jennifer	018524112	40027268-01	2/2/2004	\$ 2,348.77
			40009660-02	12/24/2003	\$ 1,428.00
			40009661-02	12/30/2003	\$ 910.00
			40115508-01	11/22/2004	\$ 750.00
Seavey, Christopher	Stephanie	004848731	40069650-20	6/1/04-6/19/04	\$ 40,482.42
			40088817-01	7/31/2004	\$ 3,395.72
			40095142-01	8/11/2004	\$ 1,667.00
			40097691-01	7/13/04-7/18/04	\$ 3,170.00
			20002651-01	11/2/2001	\$ 1,118.50
			40098531-01	7/23/2004	\$ 1,032.00
			40080697-01	7/6/2004	\$ 969.00
			40098791-01	5/21/2004	\$ 1,200.00
			40088820-01	7/31/2004	\$ 937.50
			40090357-01	8/18/2004	\$ 781.00
			40090358-01	8/18/2004	\$ 781.00
			40090360-01	7/6/04-7/11/04	\$ 1,196.00
			40088814-01	7/28/2004	\$ 711.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40069662-01	6/22/2004	\$ 665.00
			40086992-01	7/31/2004	\$ 660.00
			40088786-01	7/12/04-7/18/04	\$ 700.00
			40094263-02	7/6/2004	\$ 712.09
			40084537-01	5/12/2004	\$ 690.00
			40083747-01	7/17/2004	\$ 626.00
			40088790-01	7/18/2004	\$ 626.00
			40098788-01	7/16/2004	\$ 630.00
			40083795-01	5/12/2004	\$ 960.00
Shapiro, Larry	Jayne	108429234	40087536-01	7/30/2004	\$ 1,906.50
			10123672-01	10/4/2001	\$ 1,900.00
			40091531-01	2/4/2004	\$ 840.00
			4001071-01	12/18/2003	\$ 827.00
Shea, William	Self	001344277	20039006-01	1/29/2002	\$ 1,284.63
Sherman, William	Self	008561832	20103833-01	8/22/2002	\$ 1,908.00
			20118106-01	9/20/2002	\$ 1,065.00
Smith, Diane	Renee	008360969	40069631-01	6/15/2004	\$ 560.50
Smith, Fred	Lisa	006641219	40021596-01	1/27/2004	\$ 1,653.00
Spears, Glen	Joy	009423952	40069817-01	4/29/2004	\$ 3,739.20
			40076773-01	5/13/2004	\$ 2,435.00
			40076770-01	4/29/2004	\$ 2,435.00
			40083415-01	9/19/2003	\$ 1,017.61
			40021106-02	1/26/2004	\$ 7,749.07
St. Cyr, Janice	Roger	026320778	40097694-01	1/28/2004	\$ 4,152.54
			40097695-01	6/15/04-6/16/04	\$ 4,096.79
			40088833-01	8/20/2004	\$ 721.00
			40016083-01	1/28/2004	\$ 525.00
St. Cyr, Janice	Self	026320778	20102858-01	8/14/2002	\$ 500.00
St. Pierre, Thomas	Self	021404783	40029641-01	2/26/2004	\$ 3,014.00
			20023251-01	1/24/2002	\$ 649.00
St. Pierre, Thomas	Susan	021404783	40018842-01	1/13/2004	\$ 1,700.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40018839-01	1/13/2004	\$ 11,488.34
St. Pierre, Joshua	Madison	033627802	40108360-02	10/26/2004	\$ 1,040.00
			40108356-01	10/26/2004	\$ 510.00
Stanovich, June	Self	014629030	40090368-01	8/6/2004	\$ 1,360.44
			20128045-01	11/2/2002	\$ 1,305.00
			40089081-01	8/6/2004	\$ 700.00
Staples, Troy	Self	009364806	40027290-01	2/26/2004	\$ 1,375.00
Steinman, Johnathan	Self	009547873	20130919-01	11/21/2002	\$ 795.00
Stewart, Renee	Joshua	001509991	40083755-01	7/19/2004	\$ 2,382.61
			40083756-01	7/19/2004	\$ 762.00
Stewart, Renee	Self	001509991	30011894-01	1/27/2003	\$ 2,843.00
			40102715-01	9/17/2004	\$ 555.50
Stewart, Renee	Michael	001509991	40060551-01	2/3/2004	\$ 736.40
Story, Daniel	Abigail	231841218	40055004-01	4/6/04-4/27/04	\$ 1,367.85
			40050108-01	2/8/2004	\$ 1,650.00
			40108368-02	9/29/04-9/30/04	\$ 640.50
Story, Daniel	David	231841218	30032903-02	3/21/2003	\$ 1,000.00
Strasswimmer, Aaron	Kierstyn	123566113	10118441-01	9/20/2001	\$ 1,172.78
Strong, Wayne	Self	089401185	30122198-01	10/22/03-11/19/03	\$ 50,557.14
Sturick, Joan Marie	Self	054645406	40047448-01	7/11/2003	\$ 1,803.02
			40102737-01	10/8/2004	\$ 1,519.00
Sullivan, Charles	Self	033364855	40091652-01	8/23/2004	\$ 2,090.85
			40105764-01	10/19/2004	\$ 1,905.00
			40089129-01	8/23/2004	\$ 1,225.00
			40065562-01	5/20/2004	\$ 723.58
Sullivan, Charles	Judith	033364855	30076141-01	7/8/2003	\$ 980.00
Sullivan, Scott	Sandra	094601062	40098536-02	8/13/2004	\$ 1,439.05
Sullivan, Scott	Carly	094601062	20028501-01	1/3/2002	\$ 568.54
Sumner, Michael	Donna	009406522	20120855-01	3/8/2002	\$ 1,800.00
			40058276-01	5/4/2004	\$ 1,632.00
			40055006-01	4/29/2004	\$ 962.00

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Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40029649-01	3/2/2004	\$ 600.00
			40027314-01	2/17/2004	\$ 685.00
Sumner, Michael	Katherine	009406522	40008980-01	1/14/2004	\$ 1,043.00
			30011709-01	1/2/2003	\$ 1,045.00
Swanson, David	Self	014343997	40047697-01	9/12/2003	\$ 1,166.00
Taft, Lucille	Self	009249320	40083762-01	7/16/2004	\$ 2,219.89
			40087258-01	8/2/2004	\$ 1,078.00
Taylor, Gary	Self	009527128	20108378-01	6/26/2002	\$ 995.00
			20108379-01	5/30/2002	\$ 975.00
Taylor, Gary	Justin	009527128	10113192-01	7/9/2001	\$ 2,508.00
Tessier, George	Christine	019522003	20088216-01	7/12/2002	\$ 1,920.00
Thomas, Shane	Mionie	021608389	40035433-01	4/1/04-4/2/04	\$ 4,081.55
			40094384-01	9/7/2004	\$ 3,616.59
			40098540-01	9/7/2004	\$ 3,000.00
			40044833-01	4/1/2004	\$ 836.00
			40044836-01	4/1/2004	\$ 810.00
			40098541-01	9/7/2004	\$ 988.00
			40088950-01	7/17/2004	\$ 610.00
Thompson, Brian	Self	002544486	40065574-02	5/27/2004	\$ 1,699.00
			40027325-01	2/12/2004	\$ 1,155.75
			40024045-01	2/12/2004	\$ 924.00
Tinker, Charles	Self	009301101	30107414-01	3/18/2003	\$ 874.00
Toland, Terry	Self	003320882	30066577-02	5/28/2003	\$ 4,260.00
Tomasi, Rhonda	Self	083528568	20118020-01	9/24/2002	\$ 552.67
Torrey, Dennis	Susan	008449147	40108398-01	10/20/2004	\$ 1,762.33
			40105770-02	10/20/2004	\$ 900.00
			30042683-01	4/1/2003	\$ 975.00
Tranka, Edward	Nancey	075721981	40108400-01	10/14/2004	\$ 2,426.78
			40110428-01	10/28/2004	\$ 2,882.53
			40100233-01	9/17/2004	\$ 1,902.07
			20008274-01	12/26/2001	\$ 1,681.30

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			40058289-01	5/15/2004	\$ 905.34
Tranka, Edward	Self	075721981	10124238-01	8/6/2001	\$ 742.69
			40027347-01	1/23/2004	\$ 507.00
Tranka, Edward	Piper	075721981	40117339-01	11/27/2004	\$ 578.00
Triplett, Napoleon	Self	403302486	10104752-01	7/26/2001	\$ 3,025.00
Triplett, Napoleon	Irene	403302486	20032027-01	7/26/2001	\$ 2,600.00
Valeski, Stephen	Self	015486840	20017373-01	1/28/02-1/30/02	\$ 20,006.45
			20049955-01	3/9/02-3/28/02	\$ 7,121.89
			20110495-01	9/11/02-9/18/02	\$ 2,143.73
			20124372-01	10/25/02-10/30/02	\$ 2,091.04
			20042591-01	2/19/02-2/28/02	\$ 2,196.00
			20101705-01	7/1/2002	\$ 2,275.00
			20105621-01	8/1/2002	\$ 2,275.00
			20118247-01	9/1/2002	\$ 2,275.00
			40087177-01	7/1/2004	\$ 2,275.00
			40093171-01	8/1/2004	\$ 2,275.00
			40095188-01	9/1/2004	\$ 1,806.01
			40098831-01	9/27/2004	\$ 1,806.01
			20121386-01	10/15/2002	\$ 2,073.70
			20119663-01	10/2/2002	\$ 1,731.17
			20079394-01	6/1/02-6/6/02	\$ 1,615.67
			30054833-01	4/9/03-4/30/03	\$ 1,588.46
			20110474-01	9/25/2002	\$ 1,334.00
			20049956-01	3/29/2002	\$ 1,223.00
			20127633-01	11/6/2002	\$ 932.00
			20128182-01	11/13/2002	\$ 932.00
			20120738-01	10/16/2002	\$ 916.00
			20103836-01	8/28/2002	\$ 878.22
			20101801-01	6/29/2002	\$ 799.00
			20104333-01	8/21/2002	\$ 799.00
			20131077-01	10/15/2002	\$ 1,500.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20106938-01	9/4/2002	\$ 664.00
			20131272-01	11/18/2002	\$ 664.00
Viault, Fred	Self	009307896	20011245-01	1/8/2002	\$ 2,818.95
			40099657-01	7/27/2004	\$ 2,000.00
Viault, Fred	Joan	009307896	40024056-02	2/11/2004	\$ 1,125.00
			40098559-01	9/28/2004	\$ 897.58
			40001540-01	12/7/2003	\$ 810.21
			40004865-01	12/8/2003	\$ 798.00
			40011249-02	12/17/2003	\$ 560.00
Vradenburg, Angela	James	118569614	20107109-01	8/23/2002	\$ 731.17
Vradenburg, Angela	Self	118569614	20121287-01	8/16/2002	\$ 602.14
Ward, Scott	Self	234068823	20049958-01	3/19/2002	\$ 8,760.86
			40060561-01	5/18/2004	\$ 1,575.00
			40073652-01	5/18/2004	\$ 1,610.48
			40058300-01	5/18/2004	\$ 3,660.00
			40062095-01	5/18/2004	\$ 4,575.00
			10120227-01	8/12/2001	\$ 749.38
			20008322-01	11/7/2001	\$ 680.54
			20012894-01	1/28/2002	\$ 950.00
			40071454-01	3/17/2004	\$ 2,176.00
			4055058-01	4/21/2004	\$ 1,390.00
Ward, Scott	Kathleen	234068823	20106301-01	8/26/2002	\$ 825.17
			40071452-01	5/27/04-6/7/04	\$ 845.00
			20052949-01	2/7/2002	\$ 704.19
			40071453-01	6/1/2004	\$ 520.00
			40062134-01	5/28/2004	\$ 559.37
Ward, Scott	Rebecca	234068823	20126405-01	10/24/2002	\$ 631.13
			20093952-01	7/16/2002	\$ 559.45
Warren, Robin	Daniel	028580545	30009675-01	4/30/2002	\$ 3,700.00
Washburn, Katherine	Mark	009408472	10104724-01	7/21/2001	\$ 822.50
			20057034-01	3/1/2002	\$ 610.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
			20053725-01	3/1/2002	\$ 574.89
Weeks, Hayley	Self	003749270	20067240-01	5/15/2002	\$ 4,295.00
			40077861-01	6/29/2004	\$ 1,628.42
			40079455-01	6/15/04-6/22/04	\$ 1,613.58
			40077962-01	7/8/2004	\$ 1,378.00
			40079456-01	6/23/04-6/28/04	\$ 1,215.17
			40053926-01	4/14/2004	\$ 1,201.00
			40050121-01	4/14/2004	\$ 1,182.65
			40077972-01	7/8/2004	\$ 1,137.41
			40068134-01	6/9/2004	\$ 1,235.00
			40079454-01	6/11/2004	\$ 908.81
			40108408-01	6/11/04-6/30/04	\$ 960.00
			40088958-01	7/8/04-7/9/04	\$ 909.41
			40093182-01	7/7/04-7/8/04	\$ 802.12
			40073665-01	6/2/2004	\$ 701.00
			20124642-01	10/27/2002	\$ 616.16
Wentzell, Shriley	Self	001280096	20066114-01	6/5/2002	\$ 1,280.00
Wescott, David	Casey	042546043	20007377-01	12/31/2001	\$ 745.00
White, Christine	Self	012644584	30095793-02	6/18/2003	\$ 1,850.00
			30090522-01	7/18/2003	\$ 500.00
Whittington, Terry	Self	091703078	40039399-01	3/18/2004	\$ 1,020.00
Wilcox, Craig	Donna	086461184	40102754-01	10/5/2004	\$ 1,098.72
			40013626-01	1/15/2004	\$ 2,500.00
			40009730-01	1/15/2004	\$ 910.00
			40100249-01	10/1/2004	\$ 832.41
Wilkinson, David	Jeremy	006708398	20128063-01	11/7/2002	\$ 967.50
Wilkinson, David	Carol	006708398	20124666-01	10/16/2002	\$ 585.75
Williams, Dennis	Self	008286378	30094981-01	8/25/2003	\$ 1,795.83
Williams, Dennis	Lorette	008286378	40016315-01	1/26/2004	\$ 1,328.23
			40031646-01	3/11/2004	\$ 642.00
Williams, Paul	Self	009549535	40052468-01	5/4/2004	\$ 773.00

EXHIBIT I

Undocumented Claims
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount
Woods, Susan	Self	028509891	20040395-01	12/14/2001	\$ 840.00
Wylie, Donald	Denise	077606521	20115341-01	8/23/2002	\$ 867.48
Young, Mark	Self	008528956	10125334-01	9/18/2001	\$ 1,193.81
Young, Mark	Elise	028482746	20011068-01	11/15/2001	\$ 801.00
Young, Mark	Self	008528956	20116016-01	9/30/2002	\$ 995.00
Young, Philip	Self	002468828	40115566-01	11/19/2004	\$ 1,809.00
			40024063-01	2/6/2004	\$ 1,715.00
			40098575-01	9/13/2004	\$ 747.00
			40114630-01	11/11/2004	\$ 810.00
Young, Robert	Self	006460002	10114054-01	8/31/2001	\$ 631.00
Zampieri, Brenda	Self	009280070	40077890-01	2/10/2004	\$ 1,668.67
			40018971-01	2/10/2004	\$ 1,232.00
Zampieri, Brenda	Joseph	009280070	20040196-01	3/8/2002	\$ 1,815.00
Zemojtel, Linda	Self	025400040	40080795-01	7/6/2004	\$ 720.32
Exhibit Total:					\$2,555,922.38

Exhibit II

EXHIBIT II

Provided by: Northshore International Insurance Services, Inc.

Date: April 8, 2008

EXHIBIT II

Undocumented Claims
Aubuchon Distribution, Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
Basque, Yvonne	023280490	Self	20037920-01	02/06/02	\$ 995.00
			20083216-01	02/06-02/08/02	\$ 1,051.30
Bellar, Donald	010425533	Self	10112944-01	07/23/01	\$ 2,175.00
			10112946-01	07/23/01	\$ 1,200.00
Boudreau, William	030345316	Self	10113137-01	07/20/01	\$ 3,951.00
			10113115-01	03/09-08/09/01	\$ 1,379.00
			10120252-01	07/20/01	\$ 778.00
Brownell, Donna	030346924	Self	20034063-01	02/25-02/28/02	\$ 10,756.00
			20103020-01	08/23/02	\$ 629.00
			20090214-01	07/11/02	\$ 603.00
Carroll, Reginald	022307148	Self	20101597-01	2/26/2002	\$ 4,020.14
			20029043-01	1/9/2002	\$ 1,550.00
Chartier, Dana	031469138	Self	20039093-01	12/21/2001	\$ 759.00
Cotton, Edward	027461442	Adam	20100333-01	07/22/02	\$ 925.00
Crosby, Julie	031404455	Self	20067657-02	06/05/02	\$ 819.00
Delisle, Paul	025369395	Self	10145278-01	10/31/01	\$ 1,529.00
			20007980-01	01/17/02	\$ 1,920.00
Fournier, Louis	030362370	Pamela	20066873-01	05/06/02	\$ 1,040.00
Gallant, Steven	019484255	Eric	20020069-01	07/27/01	\$ 890.00
			20083147-01	06/05/02	\$ 677.00
Gallant, Steven	019484255	Christopher	20083201-01	02/27/02	\$ 764.20
Girouard, Bruce	032548367	Self	20089834-01	06/26/02	\$ 674.00
Girouard, Leo	015347941	Self	20089826-01	07/02/02	\$ 1,415.00
Hines, Joseph	026320799	Self	20084980-01	06/14-06/28/02	\$ 1,049.00
Houle, Brian	028526353	Stephanie	20018703-01	8/31/2001	\$ 1,520.00
Karkutt, John	024303169	Gail	20110033-01	06/20/02	\$ 3,870.39

EXHIBIT IIUndocumented Claims
Aubuchon Distribution, Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			30010025-01	07/01-07/31/02	\$ 1,048.00
			20121458-01	05/23/05	\$ 1,350.00
			30004251-01	06/20/02	\$ 751.00
LaFortune, Robert	015368371	Joanne	20046680-01	03/08/02	\$ 3,944.00
LeBlanc, Bruce	016581358	Self	20015102-01	07/26/01	\$ 1,197.00
Leger, Eugene	027288341	Barbara	20015555-01	10/09/01	\$ 790.00
Legros, Robert	030346679	Self	20031342-01	10/03-10/31/01	\$ 16,994.74
			10118383-01	08/10-08/14/01	\$ 1,158.00
			20081835-01	12/28-1/21/02	\$ 1,000.00
			20002508-01	07/06/01	\$ 845.00
			20002513-01	08/10/01	\$ 718.00
			10121332-01	07/14/01	\$ 700.00
Maillet, Alpee	016400162	Self	20128077-01	08/20/02	\$ 2,070.00
			20095936-01	05/01/02	\$ 1,762.00
Morin, Donald	010426282	Self	20104329-01	07/12/02	\$ 1,652.62
			20102824-01	08/05/02	\$ 1,041.00
			20085761-01	07/12/02	\$ 1,550.00
			20037930-01	03/01/02	\$ 900.00
Nyman, Gary	016400755	Paula	20058880-01	04/30/02	\$ 2,300.00
Pelletier, Michael	019484821	Self	20101403-01	07/12-07/13/02	\$ 830.41
Pelletier, Michael	019484821	Mary	20087423-01	06/11/02	\$ 1,700.00
Price, David	006347444	Self	20090482-01	07/12/02	\$ 750.00
Roach, Bruce	023523626	Self	20087392-01	05/24/02	\$ 646.00
Rouleau, Philip	014322579	Self	10114072-01	09/13/01	\$ 1,300.00
Storm, Glenn	019281114	Self	30004196-01	04/04/02	\$ 5,400.00
			20001160-01	11/01-11/30/01	\$ 2,415.00

EXHIBIT II

Undocumented Claims
Aubuchon Distribution, Inc.

Employee	ID Number	Claimant	Claim Number	Date(s) of Service	Billed Amount
			20084470-01	05/02-05/31/02	\$ 1,957.00
			20037898-01	01/25/02	\$ 1,650.00
			20092723-01	04/02/02	\$ 1,050.00
Therrien, Todd	029587741	Self	20083253-01	10/24/2001	\$ 1,084.00
Whitestone, Mark	021605088	Mark	20120120-01	06/21/02	\$ 1,190.10
			20090910-01	06/21/02	\$ 650.00
Whitestone, Mark	021605088	Janice	20089837-01	06/14/02	\$ 1,650.00
Whitestone, Mark	021605088	Kelly	20106436-01	08/19/02	\$ 694.00
Woltering, Marvin	018480930	Self	30032146-01	08/01/02	\$ 4,808.96
Exhibit Total:					\$116,485.86

Exhibit III

EXHIBIT III

Provided by: Northshore International Insurance Services, Inc.

Date: April 8, 2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Agate, Michael	Self	104681445	10122100-01	8/27/2001	\$ 817.20	\$ 817.20	
Comments: The diagnosis of closed fracture of metatarsal was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Arel, Andre	Self	003544806	Various	1/8/02-8/11/03	\$ 9,027.70	\$ 9,027.70	
Comments: The diagnosis of tear meniscus of knee was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Burns, Kristi	Self	022563525	30069527-01	5/27/2003	\$ 647.45	\$ 647.45	
Comments: The diagnosis of other and unspecified injury to knee, leg, ankle and foot was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Canuel, Robert	Rachel	018548814	3009950-01	4/13/2003	\$ 567.88	\$ 567.88	
Comments: The diagnosis of open wound of fingers was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Dailey, Alicia	Cory Kelley	009629575	20023059-01	10/31/2001	\$ 925.52	\$ 925.52	
Comments: The diagnosis of fracture of radius; accidental fall from playground equipment was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Dunphe, Mark	Self	035387596	20058538-01	1/3/2002	\$ 600.00	\$ 600.00	
			20051413-01	4/11/2002	\$ 3,485.29	\$ 3,485.29	
			20051415-01	4/11/2002	\$ 1,960.00	\$ 1,960.00	
Comments: The diagnosis of other and unspecified injury to knee, leg, ankle and foot was not investigated by BeneFirst, causing a missed potential recovery opportunity.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

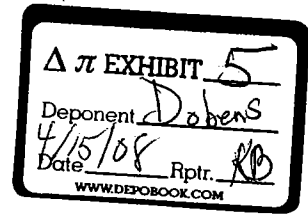
13

Arel, Sarah

From: Cheryl MacLeod [CMacLeod@benefirst.com]
Sent: Tuesday, May 17, 2005 3:53 PM
To: Arel, Sarah
Subject: Requested info - Aggregate audit



Aggregate claim
selection.pdf ...



Good afternoon Sarah,

Per your request I have attached a listing of the claims selected by BP Inc for the aggregate audit. The total paid claims for the plan year was \$4,558,282.37 of which \$1,162,810.61 was audited. This calculates to 25% of paid claims were audited, of which there was a total of \$230,885.99 which was listed as ineligible charges which is approximately a 5% error ratio overall. I am not sure of the total number of claims paid, however there were 203 which were audited.

<<Aggregate claim selection.pdf>>

If you should need anything further please do not hesitate to call or email me.

Regards,

Cheryl MacLeod
Reinsurance Coordinator
phone 781-837-4402 x208
fax 781-837-4403

CONFIDENTIALITY NOTICE: This email message, including any attachments, is for the sole use of intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies in the original message.

Claim Selection - W.E. Aubuchon

Worksheet Number	Claimant Name	Claim #	Amount Paid	Comments
1	Archambeault, Andrea	30075901-02	2,500.00	
2	Archambeault, Andrea	30095636-01	5,239.27	
3	Archambeault, Gerard	40031598-01	3,650.00	
4	Archambeault, Gerard	40036820-02	20,512.00	
5	Archambeault, Gerard	40036820-03	5,128.00	
6	Archambeault, Gerard	40042062-01	2,825.40	
7	Archambeault, Gerard	40044016-02	8,571.20	
8	Archambeault, Gerard	40044016-03	2,142.80	
9	Arel, Andre	30093351-01	2,100.00	
10	Arel, Andre	30120721-01	2,401.20	
11	Ashley, Wayne	40010486-01	29,104.20	
12	Ashley, Wayne	40012921-01	4,217.71	
13	Ashley, Wayne	40012934-01	9,976.40	
14	Ashley, Wayne	40015406-01	2,205.00	
15	Ashley, Wayne	40024618-01	11,403.08	
16	Aubuchon, Gerard	40019763-01	4,147.00	
17	Aubuchon, Kirsten	30055742-01	2,016.00	
18	Aubuchon, William	40009216-01	2,380.85	
19	Baker, Kim	30082886-02	9,677.22	
20	Basque, Lionel	30099701-01	2,445.79	
21	Bellavance, Marc	40015495-01	8,863.50	
22	Bezanson, Lorraine	40015536-01	2,238.32	
23	Bierly, Naomi	40049481-01	2,280.00	
24	Blodgett, Mark	40004005-01	2,534.84	
25	Bocash, Michael	40007210-01	9,228.66	

Claim Selection - W.E. Aubuchon

Worksheet Number	Claimant Name	Claim #	Amount Paid	Comments
26	Boucher, Maria	30132446-01	5,260.00	
27	Bradley, Dennis	40042194-01	2,005.74	
28	Bradley, Carrie	4004486-01	3,163.00	
29	Bradley, Carrie	40013019-01	2,403.79	
30	Brennan, Joyce	30076024-01	3,957.47	
31	Brennan, Joyce	30095798-01	3,252.47	
32	Brennan, Joyce	30118406-01	2,840.67	
33	Brennan, Joyce	4001767-01	3,335.67	
34	Burns, Kristi	40042232-02	2,225.30	
35	Canuel, Robert	40032337-02	24,988.27	
36	Canuel, Robert	40057849-01	2,105.60	
37	Chamberlain, Marcel	30095810-01	2,567.00	
38	Chamberlain, Marcel	30096973-01	32,790.01	
39	Chamberlain, Marcel	40029663-01	15,042.51	
40	Chartier, John	30063171-01	2,174.58	
41	Chartier, John	30118262-01	18,349.39	
42	Chartier, John	30118262-02	3,968.80	
43	Chartier, John	30128743-01	4,000.00	
44	Chartier, John	30128744-01	2,929.60	
45	Chartier, John	30135351-01	9,002.09	
46	Chartier, John	40000511-01	15,110.08	
47	Chartier, John	40011899-01	16,759.51	
48	Chartier, John	40031771-01	3,754.78	
49	Constance, Clayton	30057908-01	3,030.82	
50	Craker, Peggy	40014685-01	19,988.80	

Claim Selection - W.E. Aubuchon

Worksheet Number Claimant Name	Claim #	Amount Paid	Comments
51 Craker, Peggy	40018177-01	5,087.18	
52 Craker, Peggy	40021138-01	2,278.50	
53 Craker, Peggy	40044460-01	2,702.51	
54 Daly, Richard	30056349-01	17,103.87	
55 Daly, Richard	30090797-01	2,300.00	
56 Daugirda, Thomas	30098232-01	2,393.50	
57 Desilets, Raymond	30115194-01	2,345.90	
58 Desilets, Raymond	30125431-01	4,932.67	
59 Dipace, Tricia	40009459-01	2,406.00	
60 Drummond, Laura	30084299-01	7,706.01	
61 Drummond, Laura	30084301-01	3,808.00	
62 Durkin, Kathleen	30079361-01	2,064.53	
63 Durkin, Kathleen	40001774-01	3,196.80	
64 Duso, Erika	30048329-01	3,582.00	
65 Duso, Erika	30127123-01	5,060.00	
66 Duso, Erika	30132087-01	8,121.78	
67 Duso, Erika	40010582-01	4,095.65	
68 Duso, Julia	30092113-01	3,036.00	
69 Duso, Julia	30093834-01	2,097.83	
70 Ecker, Harry	30120867-01	3,760.00	
71 Ewertz, Deborah	40044516-01	2,565.16	
72 Ewertz, Deborah	40044517-01	2,770.32	
73 Fillo, Katherine	30060099-01	4,161.81	
74 Flagg, Joseph	40054228-01	2,276.67	
75 Flagg, Donna	40043385-01	8,326.82	

Claim Selection - W.E. Aubuchon

Worksheet Number Claimant Name	Claim #	Amount Paid	Comments
76 Flagg, Donna	40052104-01	2,300.00	
77 Florence, Tricia	30127140-01	3,573.72	
78 Florence, Tricia	30129878-01	2,760.00	
79 Goodfield, Joanne	30100266-01	3,545.00	
80 Graffam, Robert	30125447-01	2,150.30	
81 Graffam, Robert	40061067-01	3,847.48	
82 Grant, Rhea	40045699-01	5,469.78	
83 Grant, Rhea	40052506-01	2,300.00	
84 Hagen, Katrina	30054364-01	2,676.21	
85 Hagen, Peter	40015807-01	2,513.91	
86 Hannula, Lynn	40062162-01	2,300.00	
87 Hanrahan, James	30066132-01	2,383.62	
88 Hart, Army	30058405-01	5,431.94	
89 Hart, Army	30059164-01	3,975.00	
90 Herschel, Dekota	40054294-01	4,152.26	
91 Herschel, Dekota	40061970-01	5,178.73	
92 Hoag, Kerri	40044581-0	2,241.40	
93 Hough, Richard	30117315-01	5,122.04	
94 Johnson, April	30040897-02	4,798.80	
95 Joseph, Shannon	30121355-01	4,238.57	
96 Joseph, Shannon	40015690-01	20,838.00	
97 Joseph, Shannon	40023957-01	4,589.69	
98 King, Cynthia	40061069-01	9,482.94	
99 Kingsley, Christopher	30071841-01	2,082.17	
100 Labombard, Margaret	30102866-01	10,579.38	

Worksheet
Claim Selection - W.E. Aubuchon

Number Claimant Name	Claim #	Amount Paid	Comments
101 Labombard, Margaret	40013338-02	3,581.08	
102 Labombard, Margaret	40042640-01	7,302.68	
103 Labombard, Margaret	40052313-01	8,736.39	
104 Labombard, Margaret	40052345-01	3,210.00	
105 Labombard, Margaret	40054578-01	3,581.08	
106 Lane, Christopher	30118835-01	2,426.20	
107 Larson, Denise	30096079-01	4,184.72	
108 Letourneau, Tanya	30094032-01	6,060.82	
109 Letourneau, Tanya	30094034-01	2,050.00	
110 Lizotte, Eleanor	30115555-01	2,250.00	
111 Lizotte, Eleanor	30121484-01	5,750.00	
112 Lucy, Karole	40005702-01	7,358.78	
113 McCarthy, John	40043383-01	4,410.00	
114 McCarthy, John	40048847-01	10,919.38	
115 McGee, Albert	30076572-01	2,583.20	
116 McGee, Albert	30079577-01	7,892.80	
117 McGee, Albert	30092217-01	8,091.20	
118 McGee, Albert	30110756-01	2,800.00	
119 McGee, Albert	30115565-01	5,750.00	
120 McGee, Albert	40000214-01	2,580.80	
121 McGee, Albert	40009523-01	2,049.63	
122 McGee, Albert	40021503-01	4,173.65	
123 McGee, Albert	40033148-01	4,052.40	
124 Metrano, Shirley	30118896-01	2,188.20	
125 Michener, Gary	40023976-01	2,705.78	

Claim Selection - W.E. Aubuchon

Worksheet Number Claimant Name	Claim #	Amount Paid	Comments
126 Moore, Ashley	30131678-01	3,501.00	
127 Moore, Ashley	40001827-01	2,008.50	
128 Moran, Caitlin	40061076-01	2,418.25	
129 Moran, Gregory	40002352-01	31,789.47	
130 Moran, Gregory	40002352-02	3,938.87	
131 Moran, Gregory	40004743-01	5,024.00	
132 Moran, Gregory	40020440-01	4,512.00	
133 Moran, Gregory	40023024-01	2,504.78	
134 Moran, Gregory	40033936-01	3,753.60	
135 Moran, Gregory	40050033-01	2,667.20	
136 Moran, Gregory	40052360-01	2,786.17	
137 Moran, Gregory	40061077-01	3,360.00	
138 Moran, Marcus	30105107-01	5,100.00	
139 Moran, Marcus	40005700-01	6,900.00	
140 Moran, Claire	30066614-01	2,850.30	
141 Moran, Claire	30132100-01	8,300.00	
142 Moran, Claire	40018908-01	2,465.60	
143 Moran, Claire	40040616-01	2,663.05	
144 Pederson, Stephanie	30129948-01	8,971.34	
145 Pederson, Stephanie	4009635-01	2,600.00	
146 Rabideau, Dawn	30053704-01	10,278.85	
147 Rabideau, Dawn	30055065-01	2,294.31	
148 Rhone, Kristal	30096147-01	2,423.78	
149 Richard, Rene	30086368-01	2,226.18	
150 Roche, Ashley	30083512-01	4,153.95	

Claim Selection - W.E. Aubuchon

Worksheet Number	Claimant Name	Claim #	Amount Paid	Comments
151	Roche, Brittany	30112871-01	6,607.54	
152	Roche, Brittany	40018679-01	4,293.30	
153	Roche, Brittany	40054703-01	6,673.35	
154	Sauve, Dawn	30116565-01	7,400.75	
155	Sauve, Dawn	30124295-01	9,932.86	
156	Schoen, Walter	30071986-01	3,592.50	
157	Shapiro, Jayne	40018932-01	2,875.50	
158	Shapiro, Jayne	40021582-01	5,055.38	
159	Spears, Joy	40062272-01	3,290.50	
160	St. Pierre, Susan	40018891-01	2,566.00	
161	Staples, Krista	30124412-01	2,005.13	
162	Staples, Troy	40029643-01	2,341.89	
163	Story, David	30125539-01	3,178.32	
164	Sumner, Katherine	30124420-01	2,632.50	
165	Sumner, Donna	30089705-01	2,170.38	
166	Sumner, Donna	40031597-02	2,348.00	
167	Sumner, Donna	40052453-01	10,910.28	
168	Sumner, Donna	40061081-01	2,741.20	
169	Sweeney, Edward	30113620-01	2,000.00	
170	Tranka, Edward	40024050-02	3,184.23	
171	Viault, Joan	40004870-02	2,619.00	
172	Viault, Joan	40013619-02	8,691.81	
173	Weeks, Hayley	30110875-01	2,583.90	
174	Wilcox, Donna	40010583-01	5,417.41	
175	Wilcox, Donna	40013624-01	2,500.00	

Claim Selection - W.E. Aubuchon

Worksheet Number	Claimant Name	Claim #	Amount Paid	Comments
176	Wylie, Donald	30056964-01	2,323.50	
177	Wylie, Donald	30059058-01	2,065.51	
178	Young, Ethan	30097322-01	15,015.02	
179	Young, Katherine	30094968-01	5,898.49	
180	Zampieri, Brenda	40018928-01	2,113.20	
181	Zampieri, Brenda	40027396-01	4,619.39	
182	Zampieri, Joseph	30119623-01	2,076.11	
183	Bezio, Christopher	40015541-01	2,013.79	
184	Bruno, Steven	40030432-01	6,183.73	
185	Deprey, Kevin	40009456-01	6,779.18	
186	Deprey, Kevin	40015714-01	2,349.00	
187	Durand, Valda	30131611-01	4,579.38	
188	Holland, Harley	40041355-01	17,477.37	
189	Holland, Harley	40044682-01	2,646.00	
190	Holland, Harley	40060517-01	2,716.95	
191	Holland, Kevin	30071625-01	8,305.97	
192	Holland, Kevin	40040110-02	32,520.28	
193	Holland, Kevin	40044601-02	3,528.00	
194	Holland, Kevin	40045123-02	9,150.00	
195	Holland, Kevin	40045124-02	8,700.00	
196	Johnson, Kenneth	40013331-01	8,440.04	
197	Lison, Richard	40052350-01	3,165.64	
198	Lord, Jonathan	30102890-01	2,164.72	
199	Lord, Jonathan	40004057-01	7,820.87	
200	McClure, Barbara	30115564-01	6,728.41	

Claim Selection - W.E. Aubuchon

Worksheet

Number	Claimant Name	Claim #	Amount Paid	Comments
201	Neal, Alyssa	40054606-01	2,319.48	
202	Needham, Barbara	30115640-01	6,575.26	
203	Pelletier, Michael	30073760-01	5,005.03	
204	Pelletier, Susan	30088446-01	12,326.94	
205	Smith, Lisa	30070236-01	9,248.86	
206	Rigger, Cassandra	30121516-01	3,600.00	
207	Rigger, Cassandra	40004998-02	3,375.04	
208	Tomasi, Rhonda	30076705-01	7,682.89	
			1,162,810.61	

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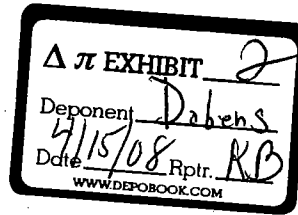


1020 PLAIN STREET
SUITE 220
PO Box 1421
MARSHFIELD, MA 02050

PHONE: 781.837.4402
FAX: 781.837.4403
EMAIL: SALES@BENEFIRST.COM

June 29, 2004

Mr. M. Marcus Moran, Jr.
President / Treasurer
W.E. Aubuchon Co., Inc.
95 Aubuchon Drive
Westminster, MA



Re: Aggregate Reimbursement

Dear Marcus:

W.E. Aubuchon Co., Inc. **Specific** stop-loss contract is based on a 12/24 basis. The coverage for this contract basis covers claims incurred and paid between July 1, 2003 through June 30, 2004. This contract allows an additional twelve months after June 30, 2004 for claims incurred during your policy period to be paid.

W.E. Aubuchon Co., Inc. **Aggregate** contract is based on a PAID basis (24/12). The PAID contract covers claims incurred and paid in your contract period of July 1, 2003 through June 30, 2004 as well as claims INCURRED twelve months prior to the contract period.

Marcus, your aggregate contract ends June 30, 2004. On or around July 1, 2004 we will be putting together your aggregate claim looking for reimbursement over the annual attachment point. Please find the enclosed Loss Report that shows your paid claims up to June 30, 2004 that are eligible to your aggregate. Please also see the Year to Date Attachment Point. The difference between the two is an estimate of your aggregate reimbursement. The difference between your paid claims and your aggregate liability is \$478,000.00. It is very important for you to realize that a claim of this size will have an on sight audit by the stop-loss carrier. The loss ratio report is an unaudited report. The final aggregate claim will be determined by the final audit.


BeneFirst, LLC has gone through a few aggregate reimbursement audits. I am proud to report that the results were flawless on each one.

Page Two
Aggregate Reimbursement

BeneFirst will be pushing for an expedient return of the W.E. Aubuchon Co., Inc's claims funded over the aggregate. Paul Gatanti, Direct of Claims for BeneFirst has estimated based on past dealings with Combined Life Insurance Company that this audit should be completed in November 2004.

Marcus, please let us know what else we can do for you and W.E. Aubuchon Co., Inc.

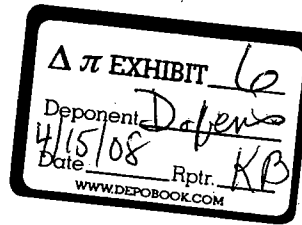
Sincerely,
BeneFirst Insurance Agency, Inc.


Paul P. Sullivan
President

c. Charles S. Lord – Chittenden
Sarah Q. Arel
Kim R. McMahon
William E. Aubuchon, IV
Maureen E. FitzGerald

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NiiS
NORTHSHORE



APR 2 2005

April 8, 2005

Ms. Sandra Schnabel
Vice President, Claim Administration
BP Inc.
6160 Summit Drive, Suite 345
Brooklyn Center, Minnesota 55430

RE: Aggregate Claim Review
Insured: W. E. Aubuchon Co., Inc.
Carrier: Combined Insurance Company of America
Contract Period: July 1, 2003, through June 30, 2004 (24/12)
Administrator: BeneFirst LLC
Review Dates: March 2-3, 2005
Our Reference: I-05-079-1096

EXECUTIVE SUMMARY

Dear Ms. Schnabel:

In accordance with your instructions, Adria L. Garneau, CEBS, of this firm, visited the Marshfield, Massachusetts, offices of BeneFirst LLC ["BeneFirst"] on March 2-3, 2005. Our contact at BeneFirst was Cheryl MacLeod, Reinsurance Coordinator. Responses to the questions raised during this audit were completed by Ms. MacLeod on April 4, 2005. The following narrative and **Exhibit I** summarize our findings, and will serve as our final report in regard to this engagement.

A. EXHIBIT:

Exhibit I - Miscellaneous Claim Deductions.

B. SCOPE OF REVIEW:

We were contracted to perform a review of a sample of claim transactions selected by BPI in regard to the captioned Insured's aggregate excess claim, to confirm adjudication competency and accuracy. Ms. Schnabel indicated that all other audit activities related to the adjudication of the aggregate excess claim were performed by BPI.

NORTHSHORE INTERNATIONAL INSURANCE SERVICES

199 Rosewood Drive • Danvers, Massachusetts 01923
Tel 978-745-6655 • Fax 978-741-1642
www.niis.com

Ms. Sandra Schnabel

Re: **Aggregate Claim Review**

Insured: W. E. Aubuchon Co., Inc.

April 8, 2005

Page 2

C. FINDINGS:

1. On-site at BeneFirst, we reviewed 208 claim transactions totaling \$1,162,810.61. The primary goal of the claim audit was to examine in detail previously processed individual claim transactions to determine if each was processed according to the benefit provisions of the Insured's Plan, industry-wide processing guidelines and BeneFirst's established policies and procedures. Each audited claim transaction was examined to determine processing correctness in:
 - Claimant eligibility verification;
 - Detection of duplicate claim payments;
 - Evaluation of medical necessity;
 - Verification of creditable coverage or application of preexisting conditions limitations, if applicable;
 - Application of utilization review requirements;
 - Recognition of negotiated provider discounts;
 - Detection of other insurance coverage;
 - Application of coordination of benefits provisions;
 - Application of Plan design provisions;
 - Calculation of benefit payments amounts; and
 - Completeness of file documentation and information to process claims.
2. Pursuant to our audit, we identified claim deductions in the amount of \$107,057.90, as shown in **Exhibit I**, Miscellaneous Claim Deductions.
3. BeneFirst has indicated agreement with the majority of our deductions, as noted in **Exhibit I**. The deductions relate, for the most part, to incorrect application of the Plan's multiple surgery rules, misapplication of out-of-network benefits and eligibility issues.

D. REMARKS AND RECOMMENDATIONS:

1. At this time, we recommend a deduction from the aggregate excess claim of \$107,057.90.
2. Although BeneFirst agreed with our deductions for the most part, we welcome the opportunity to review any additional documentation that might be provided regarding claims issues we have raised.

Ms. Sandra Schnabel

Re: **Aggregate Claim Review**

Insured: W. E. Aubuchon Co., Inc.

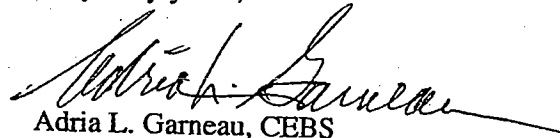
April 8, 2005

Page 3

3. We recommend that BPI carefully review all claim submissions with multiple surgery transactions, as application of a plan's multiple surgery rules is a manual process at BPI, which we believe offers greater opportunity for error than system-programmed adjudication.
4. As we discussed with you, in its replies to claim questions we raised regarding out-of-pocket calculations on out-of-network claims, BeneFirst indicated that out-of-network claims were not adjudicated with a 90 percent coinsurance accumulating to the out-of-network out-of-pocket, due to a plan building error. Benefits were programmed to indicate that the out-of-network out-of-pocket was included in the deductible. BeneFirst acknowledges that this was an error in building plan benefit parameters for Aubuchon. Of course, when we identified this error on a claim selected for audit, the overpayment is quantified. However, even if we had full paid claims data, quantifying this error for the entire paid claims population as reported for the aggregate excess claim submission will be difficult, as the stop loss policy year does not correspond to the plan year. Therefore, we defer such a calculation to you.

Thank you for this opportunity to be of service. Enclosed for your consideration is our service fee billing regarding this engagement. Should you have any questions or comments regarding our findings, we would be pleased to respond.

Very truly yours,



Adria L. Garneau, CEBS

ALG/sr2

cc: Stephen V. Murphy
Northshore International Insurance Services, Inc.

NORTHSHORE INTERNATIONAL INSURANCE SERVICES

WORKSHEET SUMMARY

POLICYHOLDER: W. E. Aubuchon				POLICY YEAR: 7/1/03-6/30/04		
NiS Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#1 Andrea Archambeault			\$412.50	\$10,681.26		Documentation is required that confirms this dependent meets the eligibility requirements as stated in the plan. \$412.50 is being reduced because the multiple surgery rules were not applied in the adjudication of various claims.
#1 Allison Archambeault				\$4,623.87		Documentation is required that confirms this dependent meets the eligibility requirements as stated in the plan.
#3 Gerard Archambeault			\$15,329.00			There was no documentation provided that the chair lift, adjustable bed and mattress and the stair lift/elevator were prescribed as medical treatment for the diagnosis. It appears these items were paid as extra contractual claim payments.
#4 Wayne Ashley	X		\$2,542.86			Multiple surgery rules were not applied in the adjudication of claim #40012934-01.
#5 Kim Lapinski (Baker)				\$11,828.37		Documentation is required that confirms this dependent meets the eligibility requirements as stated in the plan.
#6 Maria Boucher	X		\$1,100.00			Multiple surgery rules were not applied in the adjudication of claim #30132446-01.
#7 Carrie Bradley	X		\$316.30			The 90% coinsurance was not applied to this out of network provider on claim #40004486-01.
#8 Army Hart	X		\$577.50			The \$200 deductible and 90% coinsurance was not applied to this out of network provider on claim #30059164-01.
#9 Laura Drummond	X		\$952.00			Multiple surgery rules were not applied in the adjudication of claim #30084301-01.
#10 Kathleen Durkin	X		\$2,752.00			Claim notes indicate the procedure paid on claim #40001774-01 are not covered per the medical review and the payment should be coded as extra contractual. The claim was not coded as extra contractual when payment was issued.
#11 Julia Duso	X		\$483.60			The \$200 deductible and 90% coinsurance was not applied to this out of network provider on claim #30092113-01.

APR 2 2005

NiS Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#13 Dekota Rain (Herschel)	X		\$381.71			Multiple surgery rules were not applied in the adjudication of claim #40054294-01.
#14 April Johnson	X		\$531.90			Multiple surgery rules were not applied in the adjudication of claim #30040897-02.
#15 Marguerite Labombard	X		\$321.00			The 90% coinsurance was not applied to this out of network provider on claim #40052345-01.
#16 Tanya Letourneau	X		\$205.00			The 90% coinsurance was not applied to this out of network provider on claim #30094034-01.
#16 Tanya Letourneau	X		\$606.08			The 90% coinsurance was not applied to this out of network provider on claim #30094032-01.
#18 Gregory Moran	X		\$375.00			Multiple surgery rules were not applied in the adjudication of claim #40020440-01.
#19 Gregory Moran	X		\$832.20			Multiple surgery rules were not applied in the adjudication of claim #40033936-01.
#20 Gregory Moran	X		\$585.00			Multiple surgery rules were not applied in the adjudication of claim #40050033-01.
#21 Claire Moran	X		\$500.00			Multiple surgery rules were not applied in the adjudication of claim #40018908-01.
#23 Stephanie Pederson				\$11,571.34		Claim #4000935-01 and #30129948-01 were originally denied for accident details. The claims were then released without the details. Need to have a copy of the accident details.
#24 Jayne Shapiro	X		\$1,087.65			Multiple surgery rules were not applied in the adjudication of claim #40018932-01.
#25 Joy Spears			\$1.14			Coordination of benefits incorrectly applied.
#25 Susan St. Pierre	X		\$622.50			Multiple surgery rules were not applied in the adjudication of claim #40018891-01.

NiS Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#29 Donna Summer			\$2,348.00			This claim was received more than a year after the incurred date and was denied by the administrator as having been submitted to late, according to the claim submission rules to the Plan. The claim was later released at the instruction of the employer. This claim should have been processed as an extra contractual exception.
#30 Joan Viault	X		\$886.50			Multiple surgery rules were not applied in the adjudication of claim #40004870-02.
#31 Donna Wilcox	X		\$430.00			The 90% coinsurance was not applied to this out of network provider on claim #40013624-01.
#32 Donald Wylie	X		\$312.90			The out of network benefits were not applied and the multiple surgery rules were not applied in the adjudication of claim #30056964-01.
#34 Kevin Deprey	X		\$500.00			Multiple surgery rules were not applied in the adjudication of claim #40015714-01.
#35 Harley Maples (Holland)			\$25,741.56			The COB notes indicate this individual is the great niece of the employee's wife. The Plan covers a dependent for who the Covered Employee is the legal guardian and who is eligible to be claimed as a dependent on the Covered Employee's Federal Income Tax return. The enrollment form provided by BeneFirst showed the claimant was enrolled as the Employee's step child which is not true. BeneFirst further referenced an "attached adoption order". The legal document attached and referenced is not an adoption order, but an "Order Adopting Commissioner's Recommendations" that gives the Employee's wife, Debra Banks custody of the claimant, Harley Maples. There is no reference to status granted to the Employee, Keven Holland. Because the claimant is not the child of the Employee's wife, but a great niece, step child status does not apply and the child is in the legal custody of the wife, not the Employee. Therefore, this is not an eligible dependent as stated in the plan.
#36 Keven Holland	X		\$7,600.00			Multiple surgery rules were not applied in the adjudication of claim #40045124-02 and 40045123-02.

NiS Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#37 Kenneth Johnson			\$19.16			BeneFirst received a refund from the provider for \$44.72, for a \$63.88 recovery obtained by a company identified as "AIM" who kept a \$19.16 commission. BeneFirst does not know who "AIM" is. The stop loss is not liable for the reduction due to the recovery. This applies to claim #40013331-01.
Stephanie Seavey				\$24,796.41		This is the difference between the amount on the RIP report and the RPC for this specific claimant. Based on our comparison of the two reports the difference is due to claim #30098847-01 which is on the RPC dated 9/1/04 but not on the RIP report dated 10/5/04. The specific claim filing appears to be overpaid by this amount since this claim was reimbursed by BPI on the initial submission.
Gregory Moran				\$7,276.75		This is the amount of the overpayment on this claimant.
Claim Deduction			\$87.42			Injectibles are not covered under the plan.
Claim Deduction			\$1,320.65			Medical claims paid after the termination date.
Claim Deduction			\$2,080.23			Prescription claims paid after the termination date.
Claim Deduction				\$63,634.86		Non network out of pocket claims that were not applied correctly.
TOTALS			\$71,841.36	\$134,412.86		

owed to us for uncollected
 COF on non-network

W. E. Aubuchon Co.
BP Inc.
POLICYHOLDER: W. E. Aubuchon Co., Inc.
POLICY PERIOD: 7/1/03-6/30/04
ISL DEDUCTIBLE: \$125,000.00
PREPARED BY: Terry Flannigan
TPA: BeneFirst

AGGREGATE FACTORS		POLICY TYPE	
MEDICAL		CURRENT YR	PRIOR YR
SINGLE	\$309.95	SPEC	12/24
FAMILY	\$763.60	AGG	24/12

PAID CLAIMS

MONTHLY COUNTS

POLICY MONTH	MED/VISION	RX	SINGLE	FAMILY	AGG FACTORS TIMES COUNTS	CORRECTED AGGREGATE
7/03	\$267,381.48	\$38,277.87	163	313	\$289,528.65	\$289,528.65
8/03	\$148,638.24	\$19,475.17	166	314	\$291,222.10	\$291,222.10
9/03	\$465,203.64	\$42,548.33	160	311	\$287,071.60	\$287,071.60
10/03	\$373,235.62	\$41,876.13	165	307	\$285,566.95	\$285,566.95
11/03	\$190,551.81	\$33,147.51	163	312	\$288,765.05	\$288,765.05
12/03	\$643,859.90	\$39,432.60	163	316	\$291,819.45	\$291,819.45
1/04	\$228,127.22	\$41,771.00	166	315	\$291,985.70	\$291,985.70
2/04	\$290,021.26	\$41,572.81	165	313	\$290,148.55	\$290,148.55
3/04	\$509,818.48	\$43,120.66	166	311	\$288,931.30	\$288,931.30
4/04	\$199,615.59	\$42,890.21	165	306	\$284,803.35	\$284,803.35
5/04	\$226,140.34	\$42,533.11	168	308	\$287,260.40	\$287,260.40
6/04	\$526,714.44	\$62,328.95	172	308	\$288,500.20	\$288,500.20
TOTALS:	\$4,069,308.02	\$488,974.35	1982	3734	\$3,465,603.30	\$3,465,603.30

OR MIN ATTACHMENT PT

\$3,474,614.00

PAID CLAIMS:

+MEDICAL \$4,069,308.02
+DENTAL \$488,974.35
TOTAL PAID CLAIMS: \$4,558,282.37

LESS INELIGIBLE:

-CURRENT YEAR ISL EXCESS (\$507,240.86)
-PRIOR YEAR ISL EXCESS (\$190,115.54)
-EXCEPTIONS (\$22,003.47)
-MEDICAL RECORD FEES (\$15.60)
-PPO REPRICING FEES (\$291.74)
-RX ADMIN FEES (\$2,320.96)
ELIGIBLE AGG CLAIMS: \$3,836,294.20

AGGREGATE DEDUCTIBLE:

AGGREGATE CLAIM TO DATE: (\$3,474,614.00)
\$361,680.20

-NON NETWORK OUT OF POCKET (\$63,634.86)
-AUDIT DEDUCTIONS (\$71,841.36)
-AUDIT DEDUCTIONS PENDING (\$38,704.84)
-DIFF BETWEEN AMTS ON RPC & RIP (\$24,796.41) Stephanie Seavey
-GREGORY MORAN OVERPAYMENT (\$7,276.75)
NET AGGREGATE CLAIM: \$155,425.98

CLAIMS EXCEEDING ISL:

PAID - Current Year ISL \$EXCEEDS
Samuel Bedard \$50,115.56
Raymond Burgoyne \$273,238.82
Stephanie Seavey \$12,314.47
Wayne Strong \$96,024.25
Stephen Valeski \$75,547.76
Total \$507,240.86

PAID - Prior Year ISL

\$ EXCEEDS
Raymond Burgoyne \$190,086.54
Richard Chauvin \$29.00
Total \$190,115.54

from improper programming of claim SPD language by BeneFirst

received check from BP, Inc.

APR 2 2005

APR 2 2005

Page 1 of 4

EXHIBIT I

Miscellaneous Claim Deductions

W. E. Aubuchon, Co., Inc.

Policy Period: July 1, 2003, through June 30, 2004 (24/12)

Policy Period: July 1, 2003, through June 30, 2004 (24/12)								
Employee	Niis Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount	Paid Amount	Amount at Issue
Archambeault, Dennis	1	Andrea	003406732	Various	2002-2004	N/A	\$11,093.76	\$11,093.76
Comments: Andrea's address is different than the employee's address. The plan requires that an eligible dependent reside with the employee and be eligible to be claimed as a dependent on the employee's Federal Income Tax. We asked Benefirst to confirm this claimant's eligibility, and Benefirst responded that the claimant had requested that her mail be sent to her dorm address as she is a full-time college student. However, student status verification provided by Benefirst is for Allison, not Andrea. When we questioned Benefirst further, Benefirst responded that they could not obtain anything from the employee. We believe that this claimant's claims should not be allowed until her eligibility status is clearly verified. NOTE: If this claimant's eligibility is verified, then an overpayment on claim number 30075901-02 (Niis Worksheet Number 2) of \$412.50 should be deducted for misapplication of multiple surgery rules.								
Archambeault, Dennis	N/A	Allison	003406732	Various	2002-2004	N/A	\$4,623.87	\$4,623.87
Comments: In questioning the above claim, we were sent documentation regarding Allison's student status, and noted that Allison's address also is different than the employee's address. The plan requires that an eligible dependent reside with the employee and be eligible to be claimed as a dependent on the employee's Federal Income Tax. When we asked Benefirst to confirm Andrea's eligibility, Benefirst responded that the claimant had requested that her mail be sent to her dorm address as she is a full-time college student. We confirmed that the school she attends, NHCTC, does not have dorms. When we questioned Benefirst further regarding Andrea's eligibility, Benefirst responded that they could not obtain anything from the employee. We believe that this claimant's claims should not be allowed until her eligibility status is clearly verified.								
Archambeault, Gerard	3	Self	001368023	40022421-01	1/17/2004	\$965.00	\$965.00	\$965.00
				40031611-01	2/27/2004	\$3,800.00	\$3,800.00	\$3,650.00
				40044016-01,02,03	4/13/2004	\$10,714.00	\$10,714.00	\$10,714.00
Comments: Claims were paid for a commercial chair lift for \$965 from a retail furniture store, an adjustable bed and mattress for \$3,650 from a retail vendor and the purchase and installation of a stair lift/elevator for \$10,714. Under the DME benefit, the plan covers mechanical equipment necessary for the treatment of the patient. We asked Benefirst to provide documentation that these items were prescribed by a physician as medical treatment for the claimant's diagnosis of ALS. Benefirst provided copies of the prescription for the claimant's power wheelchair, but not these items, and advised that Aubuchon authorized reimbursement for any of the claimant's equipment. We believe this constitutes an extra contractual claims payment which is not covered by the stop loss contract.								
Ashley, Wayne	4	Self	009387299	40012934-01	1/12/2004	\$10,180.00	\$9,976.40	\$2,542.86
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								

Prepared by: Northshore International Insurance Services, Inc.
Date: 4/8/2005

EXHIBIT I

Miscellaneous Claim Deductions

W. E. Aubuchon, Co., Inc.

Policy Period: July 1, 2003, through June 30, 2004 (24/12)

Employee	NHS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount	Paid Amount	Amount at Issue
Baker, James E.	5	Kim Lapiuski	009603842	Various	2002-2004	N/A	\$11,828.37	\$11,828.37
Comments: The child has a different last name than the employee, and we asked for verification that she resides with the employee and is eligible to be claimed as a dependent on the employee's Federal Income Tax, as required by the plan. Benefirst provided a copy of the enrollment form, which shows that the child is enrolled as a step-daughter, but did not provide any further eligibility verification. We asked Benefirst to obtain confirmation of the child's status for the claimant's Federal Income Tax, and Benefirst responded they were unable to obtain written verification from the employee, and did not want to pursue it, as the child is deceased.								
Boucher, Dennis R.	6	Maria	032368751	30132446-01	11/26/2003	\$7,650.00	\$5,260.00	\$1,100.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees. Please also note that accident details were not sought for this claim in 2003; however, it likely is too late at this point to pursue an investigation.								
Bradley, Dennis	7	Carrie	383963782	40004486-01	01/02-03/2004	\$3,163.00	\$3,163.00	\$316.30
Comments: 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								
Hart, Army	8	Self	065480247	30059164-01	5/2/2003	\$3,975.00	\$3,975.00	\$577.50
Comments: \$200 deductible and 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								
Drummond, William	9	Laura	014525854	30084301-01	7/3/2003	\$7,840.00	\$3,808.00	\$952.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Durkin, Kathleen	10	Self	030302964	40001774-01	11/18/2003	\$3,194.40	\$2,752.00	\$2,752.00
Comments: Claim notes indicate that the procedure is not covered per medical review and that payment should be coded as extra contractual. Such coding was not applied when the claim was adjudicated. Benefirst agrees.								
Duso, Bernard	11	Julia	078662855	30092113-01	8/12/2003	\$3,036.00	\$3,036.00	\$483.60
Comments: \$200 deductible and 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								
Herschel, Chad	13	Dekola Rain	008488850	40054294-01	5/10/2004	\$4,237.00	\$4,152.26	\$381.71
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Johnson, Gary	14	April	017486347	30040897-02	3/10/2003	\$5,600.00	\$4,798.80	\$531.90
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Labombard, Howard	15	Marguerite	132420934	40052345-01	5/3/2004	\$3,252.00	\$3,210.00	\$321.00
Comments: 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								

Prepared by: Northshore International Insurance Services, Inc.
Date: 4/8/2005

EXHIBIT I

Miscellaneous Claim Deductions

W. E. Aubuchon, Co., Inc.

Policy Period: July 1, 2003, through June 30, 2004 (24/12)

Employee	NHS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount	Paid Amount	Amount at Issue
Letourneau, Robert D.	16	Tanya	008582975	30094034-01	8/13/2003	\$2,050.00	\$2,050.00	\$205.00
Comments: 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								
Letourneau, Robert D.	16	Tanya	008582975	30094032-01	8/13/2003	\$6,532.36	\$6,060.82	\$606.08
Comments: 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								
Moran, Gregory	18	Self	013366891	40020440-01	12/26/2003	\$6,010.00	\$4,512.00	\$375.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Moran, Gregory	19	Self	013366891	40033936-01	12/24/2003	\$4,692.00	\$3,753.60	\$832.20
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Moran, Gregory	20	Self	013366891	40050033-01	3/1/2004	\$3,624.00	\$2,667.20	\$585.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Moran Sr., Marcus	21	Claire	030073006	40018908-01	8/27/2003	\$3,487.00	\$2,465.60	\$500.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Pederson, Louise B.	23	Stephanie	040626217	40009635-01	12/8/2003	\$5,492.00	\$2,600.00	\$2,600.00
Comments: These claims were originally denied for accident details, and then released for no apparent reason because accident details were never obtained. Benefirst agrees that claims of this dollar amount should not have been paid without accident details.								
			30129948-01		12/08-11/2003	\$10,554.52	\$8,971.34	\$8,971.34
Shapiro, Larry	24	Jayne	108429234	40018932-01	2/4/2004	\$3,195.00	\$2,875.50	\$1,087.65
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Spears, Glen	25	Joy	0094623952	40062272-01	3/19/2004	\$6,257.00	\$3,290.50	\$1.14
Comments: Coordination of benefits incorrectly applied. Benefirst believes that, due to the small amount of the overpayment, the error should be disregarded.								
St. Pierre, Thomas	26	Susan	021404783	40018891-01	1/13/2004	\$2,566.00	\$2,566.00	\$622.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Summer, Michael	29	Donna	009406522	40031597-02	11/18/2002	\$2,348.00	\$2,348.00	\$2,348.00
Comments: This claim was received more than a year after the incurred date, and Benefirst denied the claim as having been submitted too late, according to the claim submission rules of the Plan according to Benefirst. The claim was later released and paid in full, at the instruction of the employer. We believe the denial should have been upheld, or the claim should have been processed as an extra contractual exception.								

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2005

EXHIBIT I**Miscellaneous Claim Deductions**

W. E. Aubuchon, Co., Inc.

Policy Period: July 1, 2003, through June 30, 2004 (24/12)

Employee	NHS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Billed Amount	Paid Amount	Amount at Issue
Viault, Fred	30	Joan	009307896	40004870-02	12/17/2003	\$2,619.00	\$2,619.00	\$886.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Wilcox, Craig	31	Donna	086461184	40013624-01	1/15/2004	\$2,500.00	\$2,500.00	\$430.00
Comments: \$200 deductible and 90% coinsurance not applied to this out-of-network claim. Benefirst agrees.								
Wylie, Donald	32	Self	77606521	30056964-01	5/6/2003	\$3,740.00	\$2,323.50	\$312.90
Comments: Out-of-network benefits not applied for this non-contracted provider and multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Deprey, Kevin L.	34	Self	004782499	40015714-01	12/20/2003	\$3,000.00	\$2,349.00	\$500.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
Holland, Keven	35	Harley Maples	007801364	Various	Various	various	various	\$25,741.56
Comments: COB notes for this claimant indicate she is the great niece of the enrolled employee's wife. The Plan covers a dependent for whom the Covered Employee is legal guardian and who is eligible to be claimed as a dependent on the Covered Employee's Federal Income Tax return. We asked Benefirst to confirm this claimant's enrolled status, and Benefirst provided an enrollment form that showed that the claimant is enrolled as the Employee's step child, which is not true. Benefirst further referenced an "attached adoption order." The legal document attached and referenced is not an adoption order, but an "Order Adopting Commissioner's Recommendations" that gives the Employee's wife, Debra Banks, legal custody of the claimant, Harley Maples. There is no reference to status granted to the Employee, Keven Holland. Because the claimant is not the child of the Employee's wife, but a great niece, step child status does not apply, and the child is in the legal custody of the wife, not the Employee. Therefore, we do not believe that, according to the Plan wording, this is an eligible dependent.								
Holland, Keven	36	Self	007801364	40045124-02	4/1/2004	\$15,400.00	\$8,700.00	\$7,600.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Benefirst agrees.								
				40045123-02	4/1/2004	\$25,000.00	\$9,150.00	
Johnson, Kenneth P.	37	Self	007501866	40013331-01	12/17/2003	\$8,525.72	\$8,440.04	\$19.16
Comments: Benefirst received a refund from the provider for \$44.72, for a \$63.88 recovery obtained by a company identified as "AIM," who kept a \$19.16 commission. We asked Benefirst who AIM was and why they sent a refund on this claim. Benefirst replied that they had no idea. Since neither Benefirst nor the stop loss carrier authorized this company to take a commission on this recovery, we do not believe that the stop loss carrier should be liable for this reduction in the recovery amount.								
Exhibit Totals						\$159,540.00	\$114,397.16	\$107,057.90

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2005

WORKSHEET SUMMARY --5/26/05

POLICYHOLDER: W. E. Aubuchon							POLICY YEAR: 7/1/03-6/30/04	
Niis Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments		
#1 Andrea Archambeault			\$412.50	\$10,681.26		Documentation is required that confirms this dependent meets the eligibility requirements as stated in the plan. \$412.50 is being reduced because the multiple surgery rules were not applied in the adjudication of various claims.		
#1 Allison Archambeault				\$4,623.87		Documentation is required that confirms this dependent meets the eligibility requirements as stated in the plan.		
#3 Gerard Archambeault			\$15,329.00			There was no documentation provided that the chair lift, adjustable bed and mattress and the stair lift/elevator were prescribed as medical treatment for the diagnosis. It appears these items were paid as extra contractual claim payments.		
#4 Wayne Ashley	X		\$2,542.86			Multiple surgery rules were not applied in the adjudication of claim #40012934-01.		
#5 Kim Lapinski (Baker)				\$11,828.37		Documentation is required that confirms this dependent meets the eligibility requirements as stated in the plan.		
#6 Maria Boucher	X		\$1,100.00			Multiple surgery rules were not applied in the adjudication of claim #30132446-01.		
#7 Carrie Bradley	X		\$316.30			The 90% coinsurance was not applied to this out of network provider on claim #40004486-01.		
#8 Army Hart	X		\$577.50			The \$200 deductible and 90% coinsurance was not applied to this out of network provider on claim #30059164-01.		
#9 Laura Drummond	X		\$952.00			Multiple surgery rules were not applied in the adjudication of claim #30084301-01		
#10 Kathleen Durkin	X		\$2,752.00			Claim notes indicate the procedure paid on claim #40001774-01 are not covered per the medical review and the payment should be coded as extra contractual. The claim was not coded as extra contractual when payment was issued.		
#11 Julia Duso	X		\$483.60			The \$200 deductible and 90% coinsurance was not applied to this out of network provider on claim #30092113-01.		

NiS Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#13 Dekota Rain (Herschel)	X		\$381.71			Multiple surgery rules were not applied in the adjudication of claim #40054294-01.
#14 April Johnson	X		\$531.90			Multiple surgery rules were not applied in the adjudication of claim #30040897-02.
#15 Marguerite Labombard	X		\$321.00			The 90% coinsurance was not applied to this out of network provider on claim #40052345-01.
#16 Tanya Letourneau	X		\$205.00			The 90% coinsurance was not applied to this out of network provider on claim #30094034-01.
#16 Tanya Letourneau	X		\$606.08			The 90% coinsurance was not applied to this out of network provider on claim #30094032-01.
#18 Gregory Moran	X		\$375.00			Multiple surgery rules were not applied in the adjudication of claim #40020440-01.
#19 Gregory Moran	X		\$832.20			Multiple surgery rules were not applied in the adjudication of claim #40033336-01.
#20 Gregory Moran	X		\$585.00			Multiple surgery rules were not applied in the adjudication of claim #40050033-01.
#21 Claire Moran	X		\$500.00			Multiple surgery rules were not applied in the adjudication of claim #40018908-01.
#23 Stephanie Pederson				\$11,571.34		Claim #4000935-01 and #30129948-01 were originally denied for accident details. The claims were then released without the details. Need to have a copy of the accident details.
#24 Jayne Shapiro	X		\$1,087.65			Multiple surgery rules were not applied in the adjudication of claim #40018932-01.
#25 Joy Spears			\$1.14			Coordination of benefits incorrectly applied.
#25 Susan St. Pierre	X		\$622.50			Multiple surgery rules were not applied in the adjudication of claim #40018891-01.

NiiS Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#29 Donna Summer			\$2,348.00			This claim was received more than a year after the incurred date and was denied by the administrator as having been submitted to late, according to the claim submission rules to the Plan. The claim was later released at the instruction of the employer. This claim should have been processed as an extra contractual exception.
#30 Joan Viault	X		\$886.50			Multiple surgery rules were not applied in the adjudication of claim #40004870-02.
#31 Donna Wilcox	X		\$430.00			The 90% coinsurance was not applied to this out of network provider on claim #40013624-01.
#32 Donald Wylie	X		\$312.90			The out of network benefits were not applied and the multiple surgery rules were not applied in the adjudication of claim #30056964-01.
#34 Kevin Deprey	X		\$500.00			Multiple surgery rules were not applied in the adjudication of claim #40015714-01.
#35 Harley Maples (Holland)						The COB notes indicate this individual is the great niece of the employee's wife. The Plan covers a dependent for who the Covered Employee is the legal guardian and who is eligible to be claimed as a dependent on the Covered Employee's Federal Income Tax return. The enrollment form provided by BeneFirst showed the claimant was enrolled as the Employee's step child which is not true. BeneFirst further referenced an "attached adoption order". The legal document attached and referenced is not an adoption order, but an "Order Adopting Commissioner's Recommendations" that gives the Employee's wife, Debra Banks custody of the claimant, Harley Maples. There is no reference to status granted to the Employee, Kaven Holland. Because the claimant is not the child of the Employee's wife, but a great niece, step child status does not apply and the child is in the legal custody of the wife, not the Employee. Therefore, this is not an eligible dependent as stated in the plan.
#36 Keven Holland	X		\$7,600.00			Multiple surgery rules were not applied in the adjudication of claim #40045124-02 and 40045123-02.

Niis Worksheet No.	TPA Agree	TPA Disagree	Deduction	Pending	OK	Comments
#37 Kenneth Johnson			\$19.16			BeneFirst received a refund from the provider for \$44.72, for a \$63.88 recovery obtained by a company identified as "AIM" who kept a \$19.16 commission. BeneFirst does not know who "AIM" is. The stop loss is not liable for the reduction due to the recovery. This applies to claim #40013331-01.
Stephanie Seavey				\$24,796.41		This is the difference between the amount on the RIP report and the RPC for this specific claimant. Based on our comparison of the two reports the difference is due to claim #30098847-01 which is on the RPC dated 9/1/04 but not on the RIP report dated 10/5/04. The specific claim filing appears to be overpaid by this amount since this claim was reimbursed by BPI on the initial submission.
Gregory Moran				\$7,276.75		This is the amount of the overpayment on this claimant.
Claim Deduction			\$87.42			Injectibles are not covered under the plan.
Claim Deduction			\$1,320.65			Medical claims paid after the termination date.
Claim Deduction			\$2,080.23			Prescription claims paid after the termination date.
Claim Deduction				\$20,082.97		Non network out of pocket claims that were not applied correctly.
Claim Deduction			\$96.24			Ineligible claims paid for New York Surcharges where full refunds were received on the original claim payments.
TOTALS			\$71,937.60	\$90,860.97		

Tab 16

NiiS

NORTHSHORE

FILE COPY

July 22, 2005

Ms. Sarah Q. Arel
Benefits Manager
W. E. Aubuchon Co., Inc.
95 Aubuchon Drive
Westminster, Massachusetts 01473-0473

Mr. Charles S. Lord
Chairman
Chittenden Insurance Group
100 Bank Street, P.O. Box 485
Burlington, Vermont 05402

RE: Claim Audit

Administrator: BeneFirst LLC
Audit Periods: Claims Paid 07/01/02-06/30/2003
Claims Paid 07/01/04-06/30/2005
Review Dates: June 21-23, 2005
Our Reference: J-05-249-1142

EXECUTIVE SUMMARY

Dear Ms. Arel and Mr. Lord:

In accordance with your instructions, Adria L. Garneau, CEBS, of this firm, visited the Marshfield, Massachusetts, offices of BeneFirst LLC ["BeneFirst"] on June 21-23, 2005. Our contact at BeneFirst was Carrie Reddie, Claims Manager. Responses to the questions raised during this audit were completed by Ms. Reddie and provided to us on July 1, 2005, and July 19, 2005. The following narrative and **Exhibit I** summarize our findings, and will serve as our final report in regard to this engagement.

A. SCOPE OF REVIEW:

As agreed, the scope of this review was to audit a sample of claims selected from paid transactions from July 1, 2002, through June 30, 2003, and July 1, 2004, through June 30, 2004.

For the 2002-2003 period, we selected 122 transactions totaling \$717,876.76. For the 2004 period, we selected 138 transactions totaling \$1,018,906.57. This selection included a review of 10 transactions for prescription drug card claims totaling \$226,157.63, to confirm that accurate claim and administrative fee data had been processed by BeneFirst in regard to these high-dollar transactions.

B. FINDINGS:

The primary goal of the claim audit was to examine individual, previously processed claim transactions in detail to determine if each was processed according to the benefit

NORTHSHORE INTERNATIONAL INSURANCE SERVICES, INC.

199 Rosewood Drive • Danvers, Massachusetts 01923

Tel 978-745-6655 • Fax 978-741-1642

www.niis.com

Ms. Sarah Q. Arel
Mr. Charles S. Lord
Re: **Claim Audit**
July 22, 2005
Page 2

provisions of the Insured's Plan, industry-wide processing guidelines and BeneFirst's established policies and procedures. Each audited claim transaction was examined to determine processing correctness in:

- Claimant eligibility verification;
- Detection of duplicate claim payments;
- Evaluation of medical necessity;
- Verification of creditable coverage or application of preexisting conditions limitations, if applicable;
- Application of utilization review requirements;
- Recognition of negotiated provider discounts;
- Detection of other insurance coverage;
- Application of coordination of benefits provisions;
- Application of Plan design provisions;
- Calculation of benefit payments amounts; and
- Completeness of file documentation and information to process claims.

Pursuant to our audit, we identified potential errors in the amount of \$278,476.39, and confirmed errors of \$194,055.17, as shown in **Exhibit I**, Miscellaneous Claim Errors. We also bring to your attention that one error is an underpayment of \$200. However, for the purposes of a claim audit, an error is given the same weight in considering the error total, whether it is an underpayment or an overpayment.

BeneFirst has indicated agreement with many of our deductions, as noted in **Exhibit I**. Although BeneFirst agreed with many of our deductions, we welcome the opportunity to review any additional documentation that might be provided regarding claims issues we have raised.

Thank you for this opportunity to be of service. Enclosed for your consideration is our service fee billing regarding this engagement. Should you have any questions or comments regarding our findings, we would be pleased to respond.

Very truly yours,

Adria L. Garneau, CEBS

ALG/mh3

cc: Stephen V. Murphy
Northshore International Insurance Services, Inc.

EXHIBIT I
Miscellaneous Claim Errors
BenefFirst LLC

Employee	NiS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Arel, Andre	2	Self	20057414-00	20055753-01	4/5/2002	\$0.00	\$14,562.90	\$8,312.90
Comments: Notes indicate that the claimant was hit in the face by a baseball while coaching, and that claims should be pending for clarification of coverage from school insurance, but that Aubuchon instructed that the claims be paid with post-payment investigation of the potential of recovery from the school insurance. BenefFirst paid the claim, but never pursued the investigation. In our experience, schools typically carry accident coverage for coaches, so we believe recovery should have been pursued. Secondary to our questioning of the pursuit of recovery for these claims, we found a duplicate payment agreed by BenefFirst of \$7,637.90 (claim 20101591-01 and 20083238-01), and a missed multiple surgery discount of \$675.00 (claim 20057414-01), also agreed by BenefFirst. Therefore, regardless of the missed recovery, this claim is overpaid by \$8,312.90						\$7,637.90		
						\$300.00		
						\$1,725.00		
						\$1,650.00		
						\$3,250.00		
Aumand, Patrick F. Sr.	4	Ryan	008429685-03	20074786-01	12/23/2001	\$4,248.85	\$6,229.61	\$1,968.75
Comments: This claim was the result of a motor vehicle accident. In correspondence provided to BenefFirst, the auto carrier indicated that it made two payments to the hospital, one for \$1,839.75 and one for \$1,968.25. Only the \$1,839.75 was noted on the hospital bill sent to BenefFirst, so BenefFirst ignored the auto carrier's correspondence and only considered the \$1,839.75 in its claim adjudication. In addition, BenefFirst indicated that it did not pursue identification of other auto insurance recovery, such as from Uninsured/Underinsured Motorist (UM) or Bodily Injury (BI) coverages. At the very least, this claim is overpaid by \$1,968.75, and further recovery might have been possible had BenefFirst pursued the information.						\$990.38		
						\$990.38		

Prepared by: Northshore International Insurance Services, Inc.

Date: 7/22/2005

EXHIBIT I
Miscellaneous Claim Errors
BeneFirst LLC

Employee	NiS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Bedard, Roberts	5	Samuel	049661631-02	20074966-01	05/16-18/02	\$3,154.33	\$3,744.00	\$3,744.00
				20066684-01	05/16-18/02	\$48.86		
				20118036-01	05/16-18/02	\$3,744.00		
Comments: Claim 20118036-01 is a duplicate payment. BeneFirst agrees.								
Brea, Leo	6	Self	556277217-00	20031825-01	1/17/2005	\$70.00	\$70.00	\$70
Comments: This claim is a follow-up to surgery on 01/16/02, CPT code 63030. Usual, customary and reasonable guidelines (UCR) published by MediCode indicate that any follow-up within 90-days of surgery is included in the surgical fee. Therefore, we believe that this visit should not have been allowed. BeneFirst responded that "Nothing in the CPT book says that 63030 can't have a follow-up visit." We agree. The CPT book does not include considerations of UCR. We asked BeneFirst to check MediCode, a UCR reference guide, our reference source, but they did not.								
Brea, Leo	7	Self	556277217-00	20032128-01	1/24/2002	\$22.00	\$22.00	\$22.00
Comments: This claim is a follow-up to surgery on 01/16/02, CPT code 63030. Usual, customary and reasonable guidelines (UCR) published by MediCode indicate that any follow-up within 90-days of surgery is included in the surgical fee. Therefore, we believe that this visit should not have been allowed. BeneFirst responded that "Nothing in the CPT book says that 63030 can't have a follow-up visit." We agree. The CPT book does not include considerations of UCR. We asked BeneFirst to check MediCode, a UCR reference guide, our reference source, but they did not.								

Prepared by: Northshore International Insurance Services, Inc.

Date: 7/22/2005

EXHIBIT I
Miscellaneous Claim Errors
BenefFirst LLC

Employee	NiS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Daly, Richard	8	Mary	157369360-S	20100318-01	07/22-23/02	\$5,829.91	\$14,983.70	\$6,361.35
				20105685-01	07/22-23/02	\$731.44		
				20116339-01	07/22-23/02	\$6,361.35		
				20089785-01	7/22/2002	\$1,960.00		
				20010326-01	7/22/2002	\$36.00		
				20085198-01	7/11/2002	\$65.00		
Comments: The diagnosis of internal derangement of knee was never investigated by BeneFirst. Potential recovery opportunity missed. Regardless, Claim 20116339-01 appears to be a duplicate of 20100318-01 and 20105685-01, but BeneFirst cannot confirm this because it cannot find copies of the claims. The claim is at least overpaid by \$6,361.35, even if there is no potential for other party liability/subrogation recovery.								
Magoon, Wendell Jr.	15	Cameron	009642362-01	20125137-02	11/27/2002	\$330.00	\$330.00	\$330.00
Comments: This claim is for an assistant surgeon. MediCode UCR indicates that a surgical assist is not warranted for procedure 67311 and 67314. Therefore, we believe that the claim should have been denied. BeneFirst responded that "Nothing in the CPT book says that an assistant is not warranted for this surgery." We agree. The CPT book does not include considerations of UCR. We asked BeneFirst to check MediCode, a UCR reference guide, as we did, but they did not.								
Moore, Kenneth	17	April	027441662-S	30037139-01	02/26-28/03	\$3,752.00	\$7,448.40	\$7,448.40
				30035102-01	2/26/2003	\$1,190.00		
				30037140-01	2/26/2003	\$1,800.00		
				30037141-01	2/26/2003	\$346.40		
				30045564-01	2/26/2003	\$360.00		
Comments: BeneFirst's utilization review vendor, Med-Value, issued a determination that the proposed surgery as reflected in these claims was not medically necessary. BeneFirst's explanation as to why the claim was paid is that the "examiner was never given the denial from Med-Value and the notes were not put in the system to deny."								

Prepared by: Northshore International Insurance Services, Inc.
Date: 7/22/2005

EXHIBIT I
Miscellaneous Claim Errors
BeneFirst LLC

Employee	NiS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Moran, Marcus III	18	Jennifer	011522237-S	20109861-01	9/16/2002	\$3,100.00	\$400.00	\$400.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.								
O'Neill, Susan	19	Samantha Murray	020524272-01	Various	07/01/02-06/30/03	\$21,180.05	\$21,180.05	\$21,180.05
Comments: BeneFirst never investigated potential coordination of benefits from the father's insurance. In addition, the plan requires that, to be eligible, a dependent must reside with the employee. BeneFirst confirmed that this claimant lived with her grandparents. Therefore, we believe that no claims paid for this claimant should be allowed. Regardless, an overpayment of \$3,875.00 was made because only 15 days of the 19-day confinement from 11/13/02-12/02/02 was authorized. BeneFirst agrees that the hospital claim was overpaid.								
St. Cyr, Janice	20	Roger	026320778-S	20120103-01	6/6/2002	\$3,234.73	\$3,234.73	\$3,234.73
Comments: BeneFirst was unable to locate a copy of this claim. Therefore, the claim is overpaid, because BeneFirst cannot confirm that its actions in adjudicating this claim are accurate.								
Young, Philip R.	23	Self	002468828-00	30043766-01	3/14/2003	\$5,245.41	\$8,479.41	\$0.00
				30043768-01	3/14/2003	\$1,960.00		
				30043776-01	3/14/2003	\$1,240.00		
				30050885-01	3/14/2003	\$34.00		
Comments: BeneFirst never investigated the origin of the diagnosis of these back surgery claims to determine if there was a potential for other party liability or subrogation recovery.								
House, Jamey	25	Indigo	005729454-01	Various	07/01/02-06/30/03	\$7,405.92	\$7,405.92	\$0.00
Comments: The claimant was effective 03/01/02, and had a tonsilectomy on 05/21/02. BeneFirst never confirmed prior creditable coverage or performed a preexisting condition investigation. Therefore, the claim could be overpaid.								

Prepared by: Northshore International Insurance Services, Inc.

Date: 7/22/2005

EXHIBIT I**Miscellaneous Claim Errors****BeneFirst LLC**

Employee	Niis Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Barrows, Shannon	27	Jennifer Holmes	009526734-03	Various	07/01/04-12/31/04	\$6,400.04	\$6,400.04	\$6,400.04
Comments: The claimant was added to the plan on 03/01/03 when her father's insurance was terminated. She is the employee's stepdaughter. The patient has a different address than the employee, and the Aubuchon plan requires that a dependent reside with the employee to be eligible. Therefore, we believe that this is not an eligible dependent. We asked BeneFirst to address the issue of the different address, and although BeneFirst provided other eligibility documentation, BeneFirst did not address the issue of the different address.								
Larson-Moran, Denise	32	Self	031404523-00	40094422-01	9/14/2004	\$3,205.00	\$262.50	\$26.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.								
McCarthy, Carol A.	33	John	014407451-S	Multiple	6/26/1905	\$51,164.97	\$17,425.59	\$17,425.59
Comments: The plan allows 45 days for inpatient treatment of mental/nervous claims. The claimant was confined for 66 days, and BeneFirst did not cut the benefits at 45 days. BeneFirst agrees the claim was overpaid, but stated that it paid for 64 days not 66. However, BeneFirst did not explain its calculation of 64 versus 66 days, so our deduction is based upon 66 days, with 21 days in excess of the limit.								
McKirryher, Bradford	34	Self	008347496-01	40106841-01	10/4/2004	\$8,325.00	\$1,300.00	\$1,300.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. BeneFirst agrees.								

Prepared by: Northshore International Insurance Services, Inc.

Date: 7/22/2005

EXHIBIT I
Miscellaneous Claim Errors
BeneFirst LLC

Employee	Niis Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Misner, Brian A.	35	Ashleigh	028548788-01	40113896-01	10/29/2004	\$216.75	\$5,624.35	\$0.00
				50007042-01	10/29/2004	\$0.00		
				40109033-01	10/22/2004	\$0.00		
				40109033-02	10/22/2004	\$216.75		
				40114002-01	10/22/2004	\$36.00		
				40105619-01	10/8/2004	\$0.00		
				40105619-02	10/8/2004	\$216.75		
				40111831-01	10/8/2004	\$36.00		
				40102624-01	10/1/2004	\$216.75		
				40100171-01	9/24/2004	\$2,927.40		
				40101704-01	9/24/2004	\$825.00		
				40102623-01	9/24/2004	\$275.00		
				40100170-01	9/23/2004	\$621.95		
				40101689-01	9/23/2004	\$36.00		
Comments: The diagnosis for these claims is fracture metatarsal. We asked BeneFirst for details of how this injury occurred, to determine if other party liability or subrogation applied. BeneFirst responded that the former claims manager had instructed examiners that, for accidents for children under 15, the claims should be paid without investigation of accident details. We disagree, and believe these claims should not have been paid without investigation of accident details.								

Prepared by: Northshore International Insurance Services, Inc.

Date: 7/22/2005

EXHIBIT I**Miscellaneous Claim Errors****BeneFirst LLC**

Employee	NiS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Schmid, Frank	39	Self	086402380-00	Various	07/01/04-12/31/04	\$6,286.87	\$6,286.87	\$0.00
Comments: The claimant was effective 12/01/03, and had claims in June of 2004. BeneFirst never confirmed prior creditable coverage or performed a preexisting condition investigation. Therefore, the claim could be overpaid.								
Spears, Glenn	40	Joy	009423952	Various	07/01/04-12/31/04	\$64,368.20	\$64,368.20	\$64,368.20
Comments: This claimant has her own health plan, which is primary over Aubuchon's plan. Industry standards for coordinating benefits are that, when the secondary plan adjudicates the claim, the secondary plan calculates benefits as it would have done if it was primary, applying PPO discounts, deductibles, coinsurance, and the like, and then subtracts the primary plan payment to determine the net benefit payable. For example, for a \$1,000 bill with a \$200 PPO discount, the Aubuchon plan's 100 percent benefit would be \$800. If the primary plan paid \$500, the net payable under Aubuchon's plan is \$300, with \$200 not the patient's liability as the PPO discount. BeneFirst did not use this method to calculate the secondary plan's liability. Instead, BeneFirst took the full billed amount, deducted the primary plan payment, and paid the full balance, regardless of the secondary plan's actual benefit limits. We believe that this incorrect procedure resulted in multiple overpayments on the Aubuchon plan, and we show as an error the full amount paid for this claimant until BeneFirst recalculates all claims with the correct coordination of benefits procedure.								
Valeski, Stephen	43	Self	015486840-00	Various	07/01/04-12/31/04	\$77,367.46	\$77,367.46	\$39,876.00
Comments: Because of the nature of this claimant's condition and the volume of claims, we questioned whether the claimant was actually working 40 or 47 hours per week, as required by the plan. BeneFirst's response to our question was "you have to get that from Aubuchon." Until the claimant's actively-at-work status was clarified, we believe that none of the claims were eligible. As a separate issue, the claimant's Medicare coverage became primary as of 08/01/04, but \$39,876 was paid with no coordination of benefits with Medicare. BeneFirst advised that "refund requests were made for those claims" but did not provide details of the amount or status of refund requests. Until this is provided, we believe that at least \$39,876.37 is overpaid on this claimant.								

Prepared by: Northshore International Insurance Services, Inc.

Date: 7/22/2005

EXHIBIT I
Miscellaneous Claim Errors
BenefFirst LLC

Employee	NiIS Worksheet No.	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Potential Errors	Actual Errors
Feldmus, Aaron	45	Delaney Keller	006689109-03	Various	07/01/04-12/31/04	\$3,535.53	\$3,535.53	\$3,535.53
Comments: This claimant has a different last name than employee, and claims show she has a different address. We asked BeneFirst to provide details of the relationship of the claimant to the employee, and BeneFirst responded "enrollment states she is his daughter." BeneFirst did not explain why she has a different last name and different address. Because the Aubuchon plan requires that, to be eligible, dependents reside with the employee, we believe these claims are not eligible.								
Holland, Kevin	47	Harley Maples	007801364-02	Various	07/01/04-12/31/04	\$7,436.13	\$7,436.13	\$7,436.13
Comments: COB notes for this claimant indicate she is the great niece of the enrolled employee's wife. The Plan covers a dependent for whom the covered employee is legal guardian and who is eligible to be claimed as a dependent on the covered employee's Federal Income Tax return. We asked BeneFirst to confirm this claimant's enrolled status, and BeneFirst provided an enrollment form that showed that the claimant is enrolled as the employee's stepchild, which is not true. BeneFirst further referenced an "attached adoption order." The legal document attached and referenced is not an adoption order, but an "Order Adopting Commissioner's Recommendations" that gives the employee's wife, Debra Banks, legal custody of the claimant, Harley Maples. There is no reference to status granted to the employee, Keven Holland. Because the claimant is not the child of the employee's wife, but a great niece, stepchild status does not apply, and the child is in the legal custody of the wife, not the employee. Therefore, we do not believe that, according to the Plan wording, this is an eligible dependent.								
Holland, Kevin	48	Self	007801364-00	40105556-01	9/30/2004	\$2,570.40	\$179.00	\$179.00
Comments: We asked BeneFirst to confirm that the claimant's out-of-network deductible was met. BeneFirst advised that only \$21 of the \$200 was met for 2004, producing an overpayment on this claim of \$179.								
Joseph, Troy	14	Shannon	009420870	20107231-01	8/13/2002	\$4,336.57	\$200.00	\$200.00
Comments: BeneFirst confirmed that a precertification penalty was taken in error on this claim, producing an underpayment.								
Exhibit Totals:						\$334,614.43	\$278,476.39	\$194,055.17

Prepared by: Northshore International Insurance Services, Inc.
Date: 7/22/2005

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April 8, 2008

Louis M. Ciavarra, Esq.
Ryan T. Killman, Esq.
Bowditch & Dewey, LLP
311 Main Street
P.O. Box 15156
Worcester, Massachusetts 01615-0156

Re: W.E. Aubuchon Co., Inc. et al. v. BeneFirst, LLC
Civil Action No. 05-40159-FDS

Claims Audit

Employer: W.E. Aubuchon Co., Inc.
Aubuchon Distribution, Inc.

Administrator: BeneFirst, LLC

Our Reference: J-05-249-1142

SUMMARY REPORT

Dear Mr. Ciavarra and Mr. Killman:

A. EXHIBITS:

- Exhibit I** - Undocumented Claims, W.E. Aubuchon Co, Inc.;
- Exhibit II** - Undocumented Claims, Aubuchon Distribution, Inc.
- Exhibit III** - Procedural and Financial Claim Errors, W.E. Aubuchon Co., Inc.
- Exhibit IV** - Procedural and Financial Claim Errors, Aubuchon Distribution, Inc.

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Claims Audit

Employer: W.E. Aubuchon Co., Inc.

Aubuchon Distribution, Inc.

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B. BACKGROUND:

In February 2005, Northshore International Insurance Services, Inc. ["Northshore"] was engaged by a stop loss managing general underwriter, BP Inc., to complete an audit of a selection of 208 claim transactions processed by BeneFirst, LLC ["BeneFirst"] for enrollees of W.E. Aubuchon Co., Inc. ["Aubuchon"]. This audit addressed claims inuring to the July 1, 2003, through June 30, 2004, aggregate stop loss policy period. The claims to be audited were selected by BP Inc., and our findings pursuant to this audit were detailed in our report to BP Inc. dated April 8, 2005.

Subsequently, Aubuchon engaged Northshore to complete an audit of a selection of 122 claim transactions processed by BeneFirst for enrollees of Aubuchon from July 1, 2002, through June 30, 2003, and 138 claim transactions processed by BeneFirst from July 1, 2004, through December 31, 2004. The claims to be audited were selected from claim reports provided by BeneFirst, and represented high dollar transactions. Our findings pursuant to this audit were detailed in our report to Aubuchon dated July 22, 2005.

As a result of these claims audits, Northshore identified \$172,632.42 in Procedural claim errors, and \$189,182.37 in Financial claim errors. Procedural errors are those where we do not believe that BeneFirst utilized diligent claim investigation protocols, and the results of further investigation could reveal a Financial error. Financial errors are those where an overpayment or underpayment occurred. Please note that these figures do not consider issues applicable only to the stop loss coverage.

Although the claims selected for review in these audits were not chosen on the basis of statistically valid sampling techniques, and, thus, the findings cannot be extrapolated, it is important to note that the errors identified were agreed by BeneFirst and do reflect a financial impact to Aubuchon.

As we understand it, the pattern of errors identified in these audits led Aubuchon to question BeneFirst's overall competency and, ultimately, to engage Northshore to perform further review activities.

C. AUDIT SAMPLE:

Pursuant to the captioned civil action, Northshore was asked to conduct an audit of additional claim transactions. For Aubuchon, we were provided with an Excel

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Claims Audit

Employer: W.E. Aubuchon Co., Inc.
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spreadsheet entitled *BeneFirst RPC 097351* containing paid claim data for the period that BeneFirst had processed claims for Aubuchon, July 1, 2001, through December 31, 2004. This spreadsheet contains 39,078 transactions with paid amounts totaling \$11,612,522.80. Please note that one claim can consist of one or more transactions lines.

For Aubuchon, we eliminated all claim payments of \$499.99 and less, which represents payments totaling \$3,255,083.01; all claim transactions previously reviewed in the audit conducted for BP, which represent payments totaling \$1,161,549.01; all claim transactions previously reviewed in the audit conducted for Aubuchon, which represent payments totaling \$1,735,195.91; and all claims with a description of "Expense E", which we knew from prior audits were claims for prescription drugs, which represents payments totaling \$488,974.35. The remaining 2,991 transactions were identified as the current audit population, with payments totaling \$4,971,720.52.

Typically, the next audit step would be to select a statistically valid sample from the audit population, which most often is a sample of 300 to 350 claims. Instead, to increase the statistical validity of this audit, it was decided to audit the entire population.

We understand that, in addition to medical claims, BeneFirst processed dental claims for Aubuchon, and that, therefore, dental claims were included in the Excel spreadsheet provided. Unfortunately, there was no code or identifier shown in the spreadsheet that allowed us to differentiate between a dental claim and a medical claim. As such, we knew that the claim audit sample would include dental claims, which were not intended to be included in this audit. Pursuant to our review of the documents provided, we identified 124 dental claims with paid amounts totaling \$98,771.40. Thus, the net audit sample for Aubuchon was 2,867 transactions with payments totaling \$4,872,949.12.

For Aubuchon Distribution, Inc. ["Distribution"], we were provided with an Excel spreadsheet entitled *BeneFirst Aubuchon Distribution RPC 097352* containing paid claim data for the period that BeneFirst had processed claims for Distribution, July 1, 2001, through August 24, 2002. This spreadsheet contains 2,048 transactions with paid amounts totaling \$444,079.27. Please note that one claim can consist of one or more transactions lines.

For Distribution, from the total of claims all claims listed in the Excel spreadsheet provided, we eliminated all claim payments of \$499.99 and less. The remaining 166 claims were identified as the audit population, with payments totaling

Louis M. Ciavarra, Esq.

Ryan T. Killman, Esq.

Claims Audit

Employer: W.E. Aubuchon Co., Inc.

Aubuchon Distribution, Inc.

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\$279,149.30. There were no dental claims for Distribution. Since a statistically valid audit sample typically contains 300 to 350 claims, in this instance the entire population of 166 claims was identified as the audit sample.

D. FINDINGS:

The purpose of a claim audit is to affirm and verify that accurate reimbursement was made to the provider submitting the claim, according to the benefits available from the employer Plan. The first step in this verification or audit process is a review of the actual provider bill. As such, we requested a copy of the bills submitted by the providers for each claim selected for audit.

We were advised that, of the 2,991 claims included in the audit selection for Aubuchon, only 1,777 or 60 percent of the provider bills could be located, and of the 166 claims selected for Distribution, only 105 or 64 percent could be located, indicating that there were 1,214 undocumented claims for Aubuchon and 61 undocumented claims for Distribution.

Because the provider bill is the document that initiates and supports the request for reimbursement consideration, if this key document is missing, it is impossible to affirm that adjudication of eligible benefits occurred correctly. In order to support its activities, an administrator *must* retain the source document upon which the decision to release funds was based. The lack of a comprehensive system to catalog and store these key source documents is unacceptable claims administration practice and protocol.

We have listed the 1,214 undocumented claims for Aubuchon and the 61 undocumented claims for Distribution in the attached **Exhibits I and II**, respectively. As shown, payment amounts for undocumented Aubuchon claims total \$2,555,922.38, and the 61 for Distribution total \$116,485.86. Being that the provider bill is the key document that initiates the process of claim adjudication, if the provider bill cannot be produced, there is no way to confirm that the claim payment was accurate, or even that the claim payment should have occurred at all. Therefore, an undocumented claim is a claim paid in error.

Each documented claim transaction was examined to determine adjudication accuracy, including the following:

- Claimant eligibility verification;
- Detection of duplicate claim payments;

Louis M. Ciavarra, Esq.

Ryan T. Killman, Esq.

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Employer: W.E. Aubuchon Co., Inc.
Aubuchon Distribution, Inc.

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- Verification of creditable coverage or application of preexisting conditions limitations, if applicable;
- Recognition of negotiated provider discounts;
- Detection of other insurance coverage;
- Application of coordination of benefits provisions;
- Application of Plan design provisions;
- Calculation of benefit payments amounts; and
- Completeness of file documentation and information to process claims.

An identified error is classified as either Procedural, also known as Potential, or Financial, also known as Actual. A Financial error is one where there is an identifiable overpayment or underpayment. A Procedural error occurs when a claim is identified which contains an error for which the exact financial effect cannot be determined (failure to pursue coordination of benefits or investigate student status, for example); thus, the entire payment is suspect in the absence of correct claims handling protocol.

Pursuant to our audit, for Aubuchon, we identified Procedural errors in the amount of \$654,445.65, and Financial errors in the amount of \$141,350.21, as shown in **Exhibit III**. For Distribution, we identified Procedural errors of \$48,044.88 and Financial errors of \$17,196.84, as shown in **Exhibit IV**. These are in addition to the totals shown in **Exhibits I and II**, respectively, for undocumented claims identified for Aubuchon of \$2,555,922.38 and Distribution of \$116,485.86.

The industry standard for Financial accuracy is at least 99.0 percent; that is, only one percent or less of claims should have a financial error. As shown in the following tables, even considering just the Financial claim errors, BeneFirst did not meet this metric. As shown, for Aubuchon, 2.9 percent of all claims were paid incorrectly, and for Distribution, 6.2 percent of all claims were paid incorrectly.

When the undocumented claims are added, less than half of the Aubuchon claims and only slightly more than half of the Distribution claims were paid accurately. Again referring to the following tables, including Financial errors and undocumented claims, for Aubuchon, 55.4 percent of all claims were paid incorrectly, and for Distribution, 47.9 percent of all claims were paid incorrectly.

Louis M. Ciavarra, Esq.

Ryan T. Killman, Esq.

Claims Audit

Employer: W.E. Aubuchon Co., Inc.

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When the Procedural claim errors are taken into consideration, the results are unacceptable, with errors in 68.8 percent of all claims for Aubuchon, and errors in 65.1 percent of all claims for Distribution.

<i>Audit Results</i> <i>W. E. Aubuchon Co., Inc.</i>		
a	Total number of claims in audit population	39,078
b	Total dollars paid for audit population	\$11,612,522.80
c	Total number of claims audited	2,867
d	Total dollar amount of claim payments audited	\$4,872,949.12
e	Total Financial errors (overpayments and underpayments)	\$141,350.21
f	Total undocumented claims	\$2,555,922.38
g	Total Procedural errors	\$654,445.65
h	Financial Accuracy -- Financial errors only [d-e÷d]	97.1%
i	Value of errors extrapolated against total population b x [100% - (d-e÷d)]	\$336,763.16
j	Financial Accuracy -- Financial and undocumented only [d-(e+f)÷d]	44.6%
k	Value of errors extrapolated against total population b x [100% - (d-(e+f)÷d)]	\$6,433,337.63
l	Financial Accuracy -- Financial, undocumented and Procedural [d-(e+f+g)÷d]	31.2%
m	Value of errors extrapolated against total population b x [100% - (d-(e+f+g)÷d)]	\$7,989,415.69

Louis M. Ciavarra, Esq.

Ryan T. Killman, Esq.

Claims Audit

Employer: W.E. Aubuchon Co., Inc.

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<i>Audit Results</i> <i>Aubuchon Distribution, Inc.</i>		
a	Total number of claims in audit population	2,048
b	Total dollars paid for audit population	\$444,079.27
c	Total number of claims audited	166
d	Total dollar amount of claim payments audited	\$279,149.30
e	Total Financial errors (overpayments and underpayments)	\$17,196.84
f	Total undocumented claims	\$116,485.86
g	Total Procedural errors	\$48,044.88
h	Financial Accuracy -- Financial errors only [d-e÷d]	93.8%
i	Value of errors extrapolated against total population b x [100% - (d-e÷d)]	\$27,532.92
j	Financial Accuracy -- Financial and undocumented only [d-(e+f)÷d]	52.1%
k	Value of errors extrapolated against total population b x [100% - (d-(e+f)÷d)]	\$212,713.97
l	Financial Accuracy -- Financial, undocumented and Procedural [d-(e+f+g)÷d]	34.9%
m	Value of errors extrapolated against total population b x [100% - (d-(e+f+g)÷d)]	\$289,095.56

EXHIBIT III

Procedural and Financial Claim Errors
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Ellis, Steven	Courtney	026502330	Various	8/3/01-6/2/03	\$ 4,729.66	\$ 4,729.66	
Comments: The diagnosis of dislocation of patella, sprain of wrist, unspecified injury of elbow, forearm and wrist was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Forrest, Chad	Chad Jr.	136584483	Various	10/2/01-11/6/01	\$ 256.00	\$ 256.00	
Comments: The diagnosis of fracture of shaft of radius and ulnar was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Forrest, Chad	Jasmyne	136584483	Various	1/21/02-8/8/04	\$ 1,796.05	\$ 1,796.05	
Comments: The diagnosis of fracture of distal end of radius was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Harkins, Gary	Self	005846818	Various	9/5/2001	\$ 4,992.62	\$ 4,992.62	
Comments: The diagnosis of fracture of distal end of radius was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Higgins, Ronald	Ronald	001461463	Various	10/17/01-11/5/01	\$968.27	\$968.27	
Comments: The diagnosis of closed fracture of other facial bones was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Hodgeman, Greg	Kailianne	008628196	30073297-01	3/20/2003	\$670.40	\$670.40	
Comments: The diagnosis of closed fracture of other facial bones was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Jackson, Gregory	Self	072684550	Various	11/12/2002	\$21,445.66	\$21,445.66	
Comments: The diagnosis of retinal detachment with giant tear was not investigated by BeneFirst, causing a missed potential recovery opportunity.							

EXHIBIT III

Procedural and Financial Claim Errors
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Lavelli, Beverly	David	026520982	30017617-01	12/5/2002	\$ 517.40	\$ 517.40	
Comments: The diagnosis of open wound of finger was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Letourneau, Robert	Ryan	008582975	10124392-01	9/27/2001	\$ 455.40	\$ 455.40	
			10124393-01	9/27/2001	\$ 553.50	\$ 553.50	
Comments: The diagnosis of unspecified head injury was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Misner, Brian	Amanda	028548788	30060242-01	5/12/2003	\$ 517.40	\$ 517.40	
Comments: The diagnosis of open wound of scalp was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Moore, Kenneth	Self	027441662	20060766-01	3/22/2003	\$ 1,377.50	\$ 1,377.50	
			30135443-01	11/25/2003	\$ 598.50	\$ 598.50	
Comments: The diagnosis of concussion and sprain of knee and leg was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Stanovich, Jane	Self	014629030	20011035-01	7/31/2001	\$ 702.74	\$ 702.74	
Comments: The diagnosis of sprain of ankle was not investigated by BeneFirst, causing a missed potential recovery opportunity.							
Stanovich, Jane	Thomas	014629030	Various	10/10/03-11/21/03	\$ 1,341.67	\$ 1,341.67	
Comments: The diagnosis of fracture of distal end of radius was not investigated by BeneFirst, causing a missed potential recovery opportunity.							

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Viault, Fred	Self	009307896	20058684-01	1/8/2002	\$ 2,460.00	\$ 2,460.00	
Comments: The diagnosis of tear medial meniscus was not investigated by Benefirst, causing a missed potential recovery opportunity.							
Lizotte, Robert	Eleanor	010425321	30118871-01	10/10/2003	\$ 1,520.00		\$ 760.00
			30118873-01	10/10/2003	\$ 760.00		\$ 380.00
Comments: When both an MD and a CRNA bill for anesthesia services, each should receive 50 percent allowance. Both of the above charges had 100 percent allowed.							
Bradley, Dennis	Carrie	383963782	40018153-02	1/14/04-1/30/04	\$615.99		\$6.09
Comments: A 10 percent benefit calculation error was made after application of the MultiPlan discount. Allowed was \$684.90 less \$75 copay, reimbursement should have been \$609.90.							
Butchko, Edward	Nancey	075721981	30024728-01	12/20/2002	\$ 6,323.41		\$ 2.26
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$6,351.15 less \$30 copay, reimbursement should have been \$6,321.15							
Konik, Justin	Jennifer	063642497	30056605-01	4/25/2003	\$ 477.39		\$ 2.27
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$126.28, less \$30 copay, reimbursement should have been \$475.12							
Moore, Kenneth	Ashley	027441662	30038613-01	3/5/2003	\$ 631.82		\$ 10.00
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$656.82 less \$15 copay, reimbursement should have been \$641.82, producing							
Nason, Herbert	Self	075303503	10130586-01	9/1/01-9/13/01	\$40,949.14		\$117.67
Comments: The billed amount was entered incorrectly as \$43,434.64 rather than the correct billed amount of \$45,499.04, so that when the 10 percent discount was applied, a \$117.67 underpayment							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Seavey, Christopher	Stephanie	004848721	30050657-01	4/8/2003	\$ 559.80		\$ 130.62
Comments: The PPO discount was overlooked in the adjudication of the claim.							
Tranka, Edward	Kaitlyn	075721981	20082400-01	6/11/2002	\$ 652.52		\$ 1.89
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$675.63 less \$25 copay, reimbursement should have been \$650.63							
Vradenburg, Angela	Self	118569614	30068941-01	5/27/2003	\$ 540.23		\$ 2.27
Comments: A benefit calculation error was made after application of the MultiPlan discount. Allowed amount was \$567.96 less \$30 copay, reimbursement should have been \$537.96							
Aubuchon, Pierre	Self	032223323	30088310-02	6/11/2003	\$ 697.85		\$ 533.65
Comments: Claimant has Medicare coverage as prime; however, charges were paid as primary by BeneFirst. Our deduction is based upon the typical Medicare calculation of 80 percent reimbursement of billed which was \$821.00. The 20 percent balance would have been \$164.20, the maximum BeneFirst should have paid.							
Dailey, Alicia	Mark	009629575	20038249-01	1/4/2002	\$ 900.00		\$ 900.00
			20047058-01	1/4/2002	\$ 180.00		\$ 180.00
Comments: BeneFirst notes indicate that the claimant has primary coverage. Primary carrier payment was not considered on any claims.							
Larivee, Betty	Self	008305761	Various	2/7/02-11/30/04	\$ 1,138.60		\$ 1,138.60
Comments: BeneFirst notes indicate that employee has primary coverage through Blue Cross Blue Shield. Primary carrier payment was not considered on any claims.							
Lavelli, Beverly	Kathy	026520982	Various	1/25/01-12/27/01	\$ 6,402.76		\$ 6,402.76
Comments: BeneFirst notes indicate that the claimant has primary coverage. Primary carrier payment was not considered on any claims.							
Lavelli, Beverly	Kathy	026520982	20020278-01	12/31/2001	\$ 884.85		\$ 884.85
Comments: Provider is Henry Heywood Memorial Hospital; however, payment was made to Susan E. Bonadonna, MD. Additionally, claimant has own medical coverage which is primary. Primary carrier payment was not considered on this claim.							

Prepared by: Norfshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Bedard, Samuel	Self	007820809	Various	11/7/03-11/15/04	\$ 307,693.85	\$ 307,693.85	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Bryant, Jeffrey	Self	032646418	Various	12/26/2003	\$ 1,179.64	\$ 1,179.64	
Comments: Eligibility on-line indicates that COBRA was effective 11/20/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Bryant, Jeffrey	Jagger	032646418	Various	12/19/03-3/23/04	\$ 179.00	\$ 179.00	
Comments: Eligibility on-line indicates that COBRA was effective 11/20/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Deschamps, Louis	Self	009288195	Various	8/2/01-9/10/02	\$ 2,025.30	\$ 2,025.30	\$ 1,446.70
Comments: Eligibility on-line indicates that COBRA was effective 9/1/02. Medicare is indicated on bills received, and Medicare is primary over COBRA. Therefore, BeneFirst should have paid no more than 20 percent of the billed amount of \$2,893.00, or \$578.60.							
Deschamps, Louis	Angeline	009288195	Various	8/2/01-6/17/03	\$ 248.60	\$ 248.60	
Comments: Eligibility on-line indicates that COBRA was effective 9/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Kugler, Chester	Self	019325987	Various	10/29/02-4/7/04	\$ 4,100.77	\$ 4,100.77	
Comments: Eligibility on-line indicates that COBRA was effective 7/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III

Procedural and Financial Claim Errors
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
McLaughlin, Karen	Self	079386504	Various	7/24/01-8/29/03	\$ 4,491.72	\$ 4,491.72	
Comments: Eligibility on-line indicates that COBRA was effective 5/14/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Morin, Alan	Self	551431850	Various	4/24/02-7/11/02	\$ 1,113.51	\$ 1,113.51	
Comments: Eligibility on-line indicates that COBRA was effective 2/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Nason, Herbert	Self	075303503	Various	9/1/01-1/31/02	\$ 68,995.49	\$ 68,995.49	
Comments: COBRA coverage was effective on 1/31/02. No documentation was submitted confirming COBRA election or payment of COBRA premium payments.							
Pierce, Craig	Self	030544747	Various	7/8/02-1/29/04	\$ 6,140.96	\$ 6,140.96	
Comments: Eligibility on-line indicates that COBRA was effective 7/2/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Tomasi, Rhonda	Self	083528568	Various	2/7/02-10/23/02	\$ 15,905.02	\$ 15,905.02	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/02. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Williams, Dennis	Self	008286378	Various	5/9/03-10/15/03	\$ 3,268.77	\$ 3,268.77	
Comments: Eligibility on-line indicates that COBRA was effective 3/21/03. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Aubuchon III, William	Self	033346935	10121343-01	8/2/2001	\$ 1,035.00	\$ 1,035.00	\$ 103.50
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent							

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Bickford, Marilyn	Self	010217211	30057075-01	6/12/2002	\$ 1,016.00		\$ 101.60
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100							
Desilets, Raymond	Self	001386202	30123697-01	10/2/2003	\$ 864.00		\$ 86.40
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100							
Doyle, Florence	Edward	009500618	40037020-02	3/19/2004	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100							
Eaton, Robert	Self	010526432	30038375-02	2/20/2002	\$ 700.00		\$ 70.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100							
Fillo, Joseph	Mary Ellen	048486181	30131988-01	10/31/2003	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100							
Graffam Robert	Debra	007521183	30029404-01	2/3/2003	\$ 900.00		\$ 90.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100							

EXHIBIT III**Procedural and Financial Claim Errors****W. E. Aubuchon Co., Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Haley, Reginald	Self	008345689	20051527-01	4/5/2002	\$ 1,296.25		\$ 129.62
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Kassel, Jeffrey	Self	152484538	30121364-01	8/15/2003	\$ 741.50		\$ 74.15
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Kugler, Chester	Self	019325987	20077905-01	5/31/2002	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Rhone, Brian	Kristal	113729872	10141293-01	8/13/2001	\$ 750.00		\$ 75.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Sullivan, Charles	Judith	033364855	30032119-01	2/7/2003	\$ 650.00		\$ 65.00
Comments: The Plan allows colonoscopy charges at 90 percent. This claim was paid at 100 percent.							
Chauvin, Richard	Self	033382809	20092705-01	6/4/02-6/21/02	\$ 996.07		\$ 30.00
Comments: The Plan requires a \$15 copay for each physical therapy visit. Copays were not taken on two claims.							
Doyon, Donald	Self	008405989	20127599-01	11/5/03-11/30/03	\$ 1,111.80		\$ 15.00
Comments: The Plan requires a \$15 copay for each physical therapy visit. The copay was not taken.							

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Murphy, Michael	Self	010605085	20031334-01	1/13/2002	\$ 1,000.56		\$ 25.00
Comments: The Plan requires a \$25 emergency room copay which was not taken on this claim.							
Pasierb, Paul	Self	015382401	30043436-01	3/5/03-3/31/03	\$ 506.55		\$ 45.00
Comments: The Plan requires a \$15 copay for each psychotherapy visit. Three copays were not taken.							
Shea, William	Phyllis	001344277	20101541-01	7/4/2002	\$ 580.53		\$ 25.00
Comments: The Plan requires a \$25 emergency room copay which was not taken on this claim.							
Baker, James	Kim Lapinski	009603842	Various	10/6/01-11/10/03	\$ 2,220.81	\$ 2,220.81	
Comments: The child has a different last name than the employee, and in previous visits to BeneFirst, we asked for verification that she resides with the employee and is eligible to be claimed as a dependent on the employee's Federal Income Tax, as required by the plan. BeneFirst provided a copy of the enrollment form, which shows that the child is enrolled as a step-daughter, but did not provide any further eligibility verification. We asked BeneFirst to obtain confirmation of the child's status for the claimant's Federal Income Tax, and BeneFirst responded they were unable to obtain written verification from the employee, and did not want to pursue it, as the child is deceased. We believe that this claim should not be allowed until eligibility status is verified. In addition, one claim was paid to the wrong provider: to Kathleen Martin, MD, rather than to Fletcher Allen Health Care.							
Kingsley, Robyn	Shea Brown	002586874	Various	1/23/02-10/2/03	\$ 5,462.66	\$ 5,462.66	
Comments: This claimant has a different last name than the employee. We found nothing in on-line notes to indicate that the relationship of this dependent to the employee was investigated to confirm eligibility status.							
Moore, Kenneth	Ryan Oliveira	027441662	Various	8/8/01-3/10/04	\$ 22,876.31	\$ 22,876.31	
Comments: This claimant has a different last name than the employee. We found nothing in on-line notes to indicate that the relationship of this dependent to the employee was investigated to confirm eligibility status.							
Nielsen, Brian	Chesley, Elizabeth	005661867	Various	10/1/03-9/15/04	\$ 19,553.24	\$ 19,553.24	

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Comments: This claimant has a different last name than the employee. We found nothing in on-line notes to indicate that the relationship of this dependent to the employee was investigated to confirm eligibility status.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Bedard, Samuel	Self	007820809	40029226-01	2/29/2004	\$ 1,422.00		\$ 170.64
Comments: Like charges billed by this provider had a 12 percent discount applied; however, this charge was paid at 100 percent of billed. We have applied a 12 percent reduction to the billed amount of \$1,422.00							
Duso, Bernard	Julia	078662855	30090833-01	7/31/03-7/31/03	\$ 814.44		\$ 0.44
Comments: PPO discount should have been \$90.44; however, only \$90.00 was taken.							
Duso, Bernard	Erika	078662855	20086220-01	5/1/02-12/31/04	\$ 1,200.00	\$ 1,200.00	
Comments: This provider is noted as being in-network; however, no discount was taken on this claim and BeneFirst did not investigate this discrepancy. We were unable to determine what the discount might have been since we found no other claims for this provider that would allow a comparison.							
Archambeault, Gerard	Self	001368023	30064193-02	5/19/2003	\$ 545.60		\$ 545.60
Comments: Although this claim was noted as part of the "documented" transactions, no bill copy was provided.							
Aubuchon, Thomas	Self	017503470	20004324-01	11/29/2001	\$ 584.80		\$ 584.08
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
Beroney, Kenny	Self	002566995	200234713-01	1/2/2002	\$ 635.23		\$ 635.23
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
Burgoynes, Raymond	Self	003263723	30101582-01	8/18/03-9/20/03	\$ 22,963.58		\$ 22,963.58
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III

Procedural and Financial Claim Errors
W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Lucero, Charles	Self	008628709	20015668-01	1/1/2001	\$ 714.06		\$ 714.06
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
Magliacane, Doreen	Self	020582876	20023409-01	1/8/2002	\$ 619.42		\$ 619.42
Comments: Although this claim was noted as part of the "documented" transactions, the bill copy provided was for another claim, not this transaction.							
Strong, Wayne	Self	089401185	Various	5/30/03-11/19/036	\$ 126,011.59	\$ 126,011.59	
Comments: This claimant had numerous hospitalizations between May and November 2003, and the severity of his diagnosis may indicate that he was not able to be actively-at-work. We believe his coverage continuation status should have been questioned by BeneFirst.							
Abbott, Diane	Self	001426120	20049711-01	4/9/2002	\$ 3,188.00		\$ 600.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Downs-Will, Brenda	Self	260271908	20039854-01	1/10/2002	\$ 2,400.00		\$ 400.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Herschel, Chad	Self	008488850	30071612-014	6/5/2003	\$ 572.40		\$ 85.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Labeau, Darryl	Courtney	571437672	3020	2/14/2002	\$ 2,000.00		\$ 297.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Labombard, Howard	Marguerite	132420934	30098734-01	8/25/2003	\$ 7,397.00		\$ 1,639.70
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Additionally, the 90 percent coinsurance rate was not applied to this out-of-network claim.							
Lapointe, Gregory	Ann Marie	007722723	20051570-01	3/22/2002	\$ 1,321.20		\$ 347.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Lavalley, Joy	Self	058702728	20085675-01	5/30/2002	\$ 1,918.00		\$ 298.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim. Additionally, the physician's charge for a hospital care visit should have been bundled with the surgical fee.							
Magoon Jr, Wendall	Brendan	009642362	30032031-01	2/7/2003	\$ 1,239.05		\$ 104.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Moran, Gregory	Self	013366891	30019214-01	1/13/2003	\$ 1,653.00		\$ 81.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							

EXHIBIT III**Procedural and Financial Claim Errors****W. E. Aubuchon Co., Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Moran Sr, Marcus	Self	030073006	20085190-01	8/17/2001	\$ 896.00		\$ 127.50
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Basque, Pauline	Self	012348682	20023112-01	1/18/02-1/21/02	\$ 3,450.00		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
Canuel, Robert	Kayla	018548814	20049723-01	2/7/02-2/14/02	\$ 7,318.95		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
Gustin, Robby	Self	005763667	20063136-01	3/25/02-4/1/02	\$ 871.06		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
Labeau, Darryl	Cassidy	571437672-02	20065235-01	4/15/02-4/17/02	\$ 11,881.81		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
Muro, Vincent	Matthew	008384999-02	20063290-01	12/16/01-12/18/01	\$ 1,788.70		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Shumski, Michael	Self	018467546	10113347-01	7/2/01-7/13/01	\$ 3,060.00		\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification noted in claimant's file.							
Andrews, David	Cathy	035422045	20024892-01	9/24/2001	\$ 506.60		\$ 506.60
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Avery, Tamela	Self	074502519	10121510-01	8/14/2001	\$ 1,550.86		\$ 1,550.86
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
Burns, Kristi	Self	022563525	20038729-01	2/5/2002	\$ 6,248.01		\$ 6,248.01
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Chamberlain, Nancy	Raymond	008429649	10119384-01	9/4/2001	\$ 2,140.52		\$ 2,140.52
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Ellis, Steven	Courtney	026502330	20028416-01	9/27/01	\$ 523.60		\$ 523.60
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital. Additionally, physical therapy charges considered without indication of attending physician's orders as required by the Plan.							
			20004356-01	11/1/01-11/13/01	\$ 1,498.00		\$ 1,498.00
			20039069-01	10/15/01-10/31/01	\$ 710.95		\$ 710.95
			20024906-01	12/4/01-12/31/01	\$ 546.00		\$ 546.00
Hoag, Jeffrey	Kerri	009582680	20063219-01	5/3/2002	\$ 953.75		\$ 953.75
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
Lavelli, Beverly	Kathy	026520982	10119168-01	8/17/2001	\$ 544.00		\$ 544.00
			20028278-01	12/31/2001	\$ 884.85		\$ 884.85
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Machia, Miranda	Self	009603901	10121396-01	9/8/2001	\$ 1,146.45		\$ 1,146.45
			20048201-01	3/25/02-4/8/02	\$ 27,783.24		\$ 27,783.24
			20053727-01	1/18/02-1/22/02	\$ 1,817.52		\$ 1,817.52
			20060440-01	4/20/02-5/7/02	\$ 32,554.40		\$ 32,554.40
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care. Additionally, for the inpatient stay from 4/20/02 through 5/7/02, only six days out of the 17 were precertified; therefore, even if charges had been paid to the correct provider, an overpayment of \$13,360.68 was made.							

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Machia, Miranda	Kyle	009603901	20038992-01	1/18/02-1/22/02	\$ 6,433.49		\$ 6,433.49
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							
Mattson, Michael	Lori	031547580	10121462-01	9/7/2001	\$ 520.20		\$ 520.20
			10142359-01	10/24/01-10/26/01	\$ 1,890.01		\$ 1,890.01
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Mattson, Michael	Ryan	031547580	10142377-01	10/31/01-11/1/01	\$ 839.80		\$ 839.80
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Patient, Heidi	Self	022609574	10134589-01	10/11/2001	\$ 988.20		\$ 988.20
			10142379-01	10/31/2001	\$ 1,361.70		\$ 1,361.70
			20028087-01	12/27/2001	\$ 598.40		\$ 598.40
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Young, Mark	Self	008528956	20063519-01	4/25/2002	\$ 886.50		\$ 886.50
Comments: Reimbursement issued to Kathleen Martin, MD rather than to provider Fletcher Allen Health Care.							

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Bradley, Dennis	Self	383963782	20041187-01	3/6/2002	\$ 965.00		\$ 123.55
Comments: 90 percent coinsurance was not applied to this out-of-network claim. Additionally, \$30.05 of the 2002 deductible was not satisfied.							
Bruno, Steven	Self	043567642	40036912-01	3/13/04-3/15/04	\$ 560.00		\$ 56.00
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
Burke, Denise	Self	007664947	20000419-01	7/14/2001	\$ 591.78		\$ 59.18
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
Chauvin, Richard	Self	033382809	20103130-01	7/30/2002	\$ 719.00		\$ 71.90
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
Hart, Army	Self	065480247	20046910-01	2/12/2002	\$ 871.25		\$ 87.13
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
			30058406-01	5/2/2003	\$ 585.00		\$ 58.50
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
Hart, Army	Winona	065480247	30029432-01	2/14/2003	\$ 1,170.00		\$ 117.00
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
Kingsley, Robyn	Shea Brown	002586874	20034250-01	11/30/2002	\$ 795.00		\$ 79.50
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							

EXHIBIT III**Procedural and Financial Claim Errors**

W. E. Aubuchon Co., Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Lacroix, Roger	Self	008500963	20052873-01	1/25/2002	\$ 650.00		\$ 65.00
Comments: 90 percent coinsurance was not applied to this out-of-network claim.							
Nielsen, Brian	Elizabeth Chesley	005661867	Various	11/9/04-11/24/04	\$ 1,308.50		\$ 1,308.50
Comments: BeneFirst on-line notes and eligibility screens indicate that dependent coverage terminated on 9/15/04. These charges were incurred after this termination date.							
Magliacane, Doreen	Self	020382876	20065363-01	3/4/02-3/31/02	\$ 1,857.15	\$ 1,857.15	
			20060752-01	4/3/02-4/30/02	\$ 532.75	\$ 532.75	
Comments: Physical therapy charges considered without indication of attending physician's orders as required by the Plan.							
Exhibit Totals:					\$915,154.20	\$654,445.65	\$141,350.21

Prepared by: Northshore International Insurance Services, Inc.

Date: 4/8/2008

Exhibit IV

EXHIBIT IV

Provided by: Northshore International Insurance Services, Inc.

Date: April 8, 2008

EXHIBIT IV

Procedural and Financial Claim Errors
Aubuchon Distribution, Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Lopes, Lonnie	Max	031404455	Various	9/24/01-8/7/02	\$ 2,968.20		\$ 2,968.20
Comments: Notes on-line indicate that there is other coverage through Blue Cross Blue Shield which is the primary payor for Max due to the birthday rule. Therefore, BeneFirst paid this claim as primary in error.							
Basque, Yvonne	Self	023280490	Various	1/29/02-6/25/02	\$ 4,468.00	\$ 4,468.00	
Comments: Eligibility on-line indicates that COBRA was effective 12/31/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Brownell, Donna	Self	030346924	Various	7/16/01-8/23/02	\$ 5,685.80	\$ 5,685.80	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/00. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Jacoby, Paul	Self	029284907	Various	8/20/01-8/14/02	\$ 3,779.64	\$ 3,779.64	
	Raili	029284907	Various	8/30/01-4/29/02	\$ 804.75	\$ 804.75	
Comments: Eligibility on-line indicates that COBRA was effective 1/1/00. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Legros, Robert	Self	030346679	Various	11/1/01-1/31/02	\$ 17,994.74	\$ 17,994.74	
Comments: Eligibility on-line indicates that COBRA was effective 11/1/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							

EXHIBIT IV

Procedural and Financial Claim Errors
Aubuchon Distribution, Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Sumner, Kenneth	Self	020349061	Various	9/6/6/01-9/29/01	\$ 9,091.60	\$ 9,091.60	
Comments: Eligibility on-line indicates that COBRA was effective 9/6/01. No documentation noted on-line indicating that a COBRA election form was completed or that premium payments were made.							
Wilson, Duane	Carl Ogert	027545935	20079403-01	10/14/01-10/17/01	\$ 333.70	\$ 333.70	
Comments: The dependent has a different last name than the employee. We found no notes on-line to indicate that investigation was initiated to verify that the employee was responsible for this child as required by the Plan.							
LaFortune, Robert	Joanne	015368371	20047378-01	03/08/02	\$ 720.00	\$	\$ 60.00
Comments: Multiple surgery rules were not applied in the adjudication of this claim.							
Carroll, Reginald	Self	022307148	20120180-01	01/15/02	\$ 129.20	\$	\$ 129.20
Comments: Charges of \$1,767.00 incurred on 1/15/02 at Health Alliance were repriced to \$1,501.95 (claim number 20023055). However, when charges were processed, revenue code 636 (Drug/Detail Code) in the amount of \$152.00 was omitted from the total charge amount entered on line but payment of \$1,501.95 was still issued. Further, the \$152.00 was later processed under claim number 20120180-01 and \$129.20 was issued. Therefore, an overpayment of \$129.20 was created in this file.							
Hansen, Carl	Self	042103575	20044558-01	3/7-3/12/02	\$ 6,439.35	\$	\$ 200.00
Comments: The plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documented in on-line notes.							
LeBlanc, Bruce	Self	016581358	10142322-01	7/26-7/28/01	\$ 2,436.00	\$	\$ 200.00

EXHIBIT IV

Procedural and Financial Claim Errors
Aubuchon Distribution, Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Comments: The Plan requires precertification for all inpatient confinements or a penalty of \$200 applies. No precertification documentation noted in claimant's file.							
DeBarge, James	Self	031402510	20011081-01	12/14/01	\$ 575.95		\$ 575.95
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Gallant, Steven	Self	019484255	20004343-01	09/27/01	\$ 1,728.90		\$ 1,728.90
			20004344-01	09/26/01	\$ 479.96		\$ 479.96
			20004345-01	07/20/01	\$ 233.75		\$ 233.75
			20038866-01	01/25/02	\$ 928.50		\$ 928.50
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Gallant, Steven	Eric	019484255	10114167-01	07/27/01	\$ 1,184.67		\$ 1,184.67
			10114170-01	07/27/01	\$ 417.00		\$ 417.00
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							

EXHIBIT IV**Procedural and Financial Claim Errors****Aubuchon Distribution, Inc.**

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Pike, David	Self	024480531	10123690-01	08/29/01	\$ 804.60		\$ 804.60
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Storm, Glenn	Self	019281114	10124965-01	08/28/01	\$ 4,722.06		\$ 4,722.06
			20001160-01	11/29/01	\$ 1,917.75		\$ 1,917.75
			20016010-01	11/27/01	\$ 345.95		\$ 345.95
			10115984-01	08/27/01	\$ 300.35		\$ 300.35
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							
Wilson, Duane	Carl Ogert	027545935	10141703-01	10/14/01	\$ 550.45	\$ 550.45	
Comments: Reimbursement issued to Susan E. Bonadonna, MD rather than to provider Henry Heywood Memorial Hospital.							

EXHIBIT IV

Procedural and Financial Claim Errors
Aubuchon Distribution, Inc.

Employee	Claimant	ID Number	Claim Number	Date(s) of Service	Paid Amount	Procedural Errors	Financial Errors
Storm, Glenn	Self	019281114	20066807-01	10/15-10/29/01	\$ 1,020.65	\$ 1,020.65	
			20029154-01	12/4-12/31/01	\$ 1,386.45	\$ 1,386.45	
			20038203-01	1/4-1/30/02	\$ 956.35	\$ 956.35	
			20066802-01	2/1-2/22/02	\$ 1,266.90	\$ 1,266.90	
			20060799-01	4/19-4/30/02	\$ 705.85	\$ 705.85	
Comments: Physical therapy charges considered without indication of attending physician's orders as required by the Plan. Please note that claim number 20001160-01 deducted for reimbursement to incorrect provider also is questioned for physical therapy authorization.							
Exhibit Totals:				\$74,377.07	\$48,044.88	\$17,196.84	

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**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

W.E. AUBUCHON CO., INC., AUBUCHON
DISTRIBUTION, INC., W.E. AUBUCHON CO.
INC EMPLOYEE MEDICAL BENEFIT PLAN,
and AUBUCHON DISTRIBUTION, INC.
EMPLOYEE MEDICAL BENEFIT PLAN,

Plaintiffs,

v.

BENEFIRST, LLC,

Defendant.

) CIVIL ACTION
NO. 05-40159-FDS

**ORDER ON BENEFIRST'S MOTION FOR RECONSIDERATION
OF COURT'S DISCOVERY ORDER RELATED TO MEDICAL BILLS**

February 6, 2007

HILLMAN, M.J.

INTRODUCTION

By order of this Court dated September 7, 2006, the Defendant, BeneFirst, LLC (“BeneFirst”), was ordered to produce medical claims files, including actual bills in its possession, custody, or control (Docket #28). On September 18, 2006, BeneFirst filed the instant Motion for Reconsideration of Court’s Discovery Order Related to Medical Bills (Docket #29), together with an accompanying memorandum and affidavit.¹ BeneFirst claims that the documents are not reasonably accessible because the cost of their production far outweighs their value to the Plaintiffs. For the reasons set forth below, I deny the motion.

¹ The parties attempted several times to work this matter out by themselves. Unfortunately, despite their best efforts, they were unable to come to agreement.

BACKGROUND

This case involves the administration of qualified benefits plans under the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. §1001, *et seq.* W.E. Aubuchon Co., Inc. ("Aubuchon") is the employer, sponsor and administrator of the W.E. Aubuchon Co., Inc. Employee Medical Benefit Plan ("Aubuchon Plan"). Aubuchon is the sponsor and Aubuchon Distribution, Inc. ("Aubuchon Distribution") is the employer and administrator of the W.E. Aubuchon Co., Inc. & Aubuchon Distribution, Inc. Employee Medical Benefit Plan ("Aubuchon Distribution Plan", and, together with the Aubuchon Plan, the "ERISA Plans").

BeneFirst, which is a Massachusetts limited liability company based in Marshfield, Massachusetts, entered into a contract with the Plaintiffs pursuant to which BeneFirst assumed the rights, duties and obligations to administer the ERISA Plans, as a third-party administrator. BeneFirst's obligations included "investigating and determining eligibility, payments, co-pays, co-insurance and subrogation claims," for which BeneFirst allegedly "exercised discretion and control over [its] decisions [presumably with respect to payment of claims] and was paid to execute these duties properly." (*Amended Complaint*, Docket #19, ¶¶8,14). The Plaintiffs charge that BeneFirst failed to perform its duties in a reasonably prudent manner, thereby breaching its fiduciary duty (Counts I and II) and that it breached the underlying contract by failing to provide services accurately and completely (Counts III and IV).

In the initial motion to compel (Docket #24), Plaintiffs sought, among other things, to compel BeneFirst to produce all medical claims files, including the actual medical bills in BeneFirst's custody or control. This Court ruled that BeneFirst was to provide those files and bills. It is that ruling that is the subject of this motion for reconsideration.

FACTS

BeneFirst is no longer in operation. Therefore, I will set out a historical summary of the procedures utilized by BeneFirst for processing, storing and retrieving claims at the time it administered the ERISA Plans. In order to comply with this Court's initial ruling, BeneFirst would have to hire personnel to retrieve the claims sought by the Plaintiffs in accordance with the procedures described below.

BeneFirst would typically receive requests for payment from medical providers who had provided covered medical services to Aubuchon/Aubuchon Distribution personnel. These requests for payment were on claim forms.² These claims would be sorted or "batched" into client groups for processing. Once processed for payment, the claim forms were retained for a 60 day period. After 60 days, the batch of claim forms would be scanned and stored as electronic images and then destroyed. These scanned forms were stored in groups according to their processing date and the person who processed the claim.

If a claim needed to be retrieved after the 60 day period, the claim number, processor, and date of processing would be needed in order to retrieve the image. If all of this information was available, then the search would take 3-4 minutes. If all of the information was not available, it could take upwards of 7 minutes. It is particularly important to the search process to have the name of the person who processed the claim because on any given day, 3-4 claims examiners would process Plaintiffs' claims and during the relevant period, 14 different

² It is unclear whether the claim form was the 'medical bill' or whether the claim form had a medical bill attached, or some combination. The Defendant takes great pains to point out that there were never "claim files" as referenced in this Court's earlier ruling. Instead, medical professionals would submit "claim forms" and those forms would be sorted into client groups for processing. See *Affidavit of Charles T. Dobens* (Docket #31). It is my understanding, after review of the pleadings, particularly the Doben Affidavit, that no information, other than the claim form, would be needed for the claims examiner to process a medical bill.

examiners were employed. Furthermore, for parts of 2001, 2002 and 2003, BeneFirst utilized an outside vendor to process claims. The outside vendor would scan the claims and return them to BeneFirst on a CD-R for further processing. The images scanned by the outside vendor would then be batched in the same way as was done during in-house processing.

The search process for retrieving claims is further complicated by the fact that there is no index of images *per se*. The images are stored on BeneFirst's server first, according to year of processing, then by claims examiner, then by the month of processing, and finally by the actual processing date. Inexplicably, BeneFirst's system was not set up to for the wholesale retrieval of claim images on a group by group basis.

During the 3.5 years at issue in this litigation, BeneFirst was administering up to 48 different plans and, by its estimation, processed between 550,000 and 600,000 claims. Of that number, 34,112 claims were submitted for processing under the ERISA Plans. Of that number, the Plaintiffs have narrowed their request, based upon a dollar value, to approximately 3,000 claims. BeneFirst estimates that it would cost approximately \$80,000.00 and take almost 4,000 hours to retrieve all 34,112 claims. They have not provided a cost/time estimate for the retrieval of the 3,000 claims.

DISCUSSION

Our courts have repeatedly reiterated that “‘notice pleading standard relies on liberal discovery rules’” and that “it is now beyond dispute that ‘[b]road discovery is a cornerstone of the litigation process contemplated by the Federal Rules of Civil Procedure.’” *Zublulake v. UBS Warburg*, 217 F.R.D. 309, 311 (2003)(alteration in original). While the principle is relatively straightforward, its application is not. This principle of liberal discovery is sorely

tested when the object of the discovery is electronic data. As of December 1, 2006, the Federal Rules of Civil Procedure were amended to give greater guidance to courts and litigants in dealing with electronic discovery issues. There are four key areas of change to the Rules that address electronic discovery: early attention to e-discovery issues; the role of accessibility; the form of production; and sanctions under Rule 37. This case squarely presents the question of whether the information sought is reasonably accessible within the meaning of the Rule and if not, whether it still should be produced.

The Recent Amendments

On December 1, 2006, Rule 26 was amended, in relevant part, to provide the following limitation to the general rule that a party may obtain discovery of any matter, not privileged, that is relevant to such party's claim or defenses:

A party need not provide discovery of electronically stored information from sources that the party identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or for a protective order, the party from whom discovery is sought must show that the information is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(2)(C). The court may specify conditions for the discovery.

F.R.C.P. 26(b)(2)(B).

The Order of the Supreme Judicial Court of the United States adopting this amendment to Rule 26 provides that such amendments "... shall take effect on December 1, 2006, and shall govern in all proceedings thereafter commenced and, insofar as just and practicable, all proceedings then pending." This case was filed before December 1, 2006 and the instant dispute arose before the effective date of the amendment. At the same time, the case is still in the discovery stages. Furthermore, in briefing the issue, the parties have cited to the seven-step

analysis for determining whether or not to shift the cost of production proposed by Judge Scheindlin in *Zubulake*. The notes to the 2006 Amendment to Rule 26 to a large degree adopt Judge Scheindlin's seven-step analysis for purposes of determining whether a party should be required to search for and produce information that is not reasonably accessible. *See* Fed.R.Civ.P. Advisory Committee's note to 2006 Amendment. Under these circumstances, I find that it is just and practicable to apply the recent amendments to Rule 26 to the instant dispute.

Application of The Rule 26 Amendment

Under Rule 26, as revised, this Court must determine whether the information sought is reasonably accessible. If the information is not reasonably accessible, this Court may still order discovery if Aubuchon shows good cause for requesting the information, taking into consideration the limitations of Rule 26(b)(2)(C).

**Is the requested information 'reasonably accessible' within
the meaning of FRCP 26(b)(2)?**

BeneFirst asserts that the requested claims forms are not reasonably accessible within the meaning of FRCP 26(b)(2)(B) because of the high cost to retrieve such information (both in monetary terms and in terms of the man hours it would require to retrieve the information). BeneFirst contends that the high cost/time to retrieve such data is necessitated by the fact that it is maintained in an inaccessible format.

In *Zubulake*, the court found that the time and expense required to retrieve documents and electronic data depends primarily on whether such information "is kept in an *accessible or inaccessible* format ... [furthermore,] [w]hether electronic data is accessible or inaccessible turns largely on the media on which it is stored". *Zubulake*, 217 F.R.D. at 318 (emphasis in original).

Zubulake broke down electronic data into the following five categories, listed in order of most accessible to least accessible: (1) active on-line data (hard drives, for example); (2) near-line data (typically, robotic storage devices such as optical disks); (3) offline storage/archives (removable optical disks or magnetic tape media which can be labeled and stored in a shelf or rack); (4) backup tapes (devices like tape recorders that read data from and write it onto a tape; they are sequential access devices which are typically not organized for retrieval of individual documents or files); and (5) erased, fragmented or damaged data (such data can only be accessed after significant processing). *Id.*, at 318-319.

Generally, the first three categories of data are considered “accessible” and the last two categories are considered “inaccessible”. That the data is deemed “accessible” does not mean it is readily obtainable, “the time it takes to actually access [such] data ranges from milliseconds to days, [however] the data does not need to be restored or otherwise manipulated to be usable”. *Id.*, at 320. “‘Inaccessible’ data, on the other hand, is not readily usable. Backup tapes must be restored ... fragmented data must be defragmented, and erased data must be reconstructed. That makes such data inaccessible”. *Id.*

Because, as noted by Judge Sheindlin, the determination of whether the production of electronic data is expensive or unduly burdensome often depends on whether it is maintained in an “accessible” or “inaccessible” format, I find that it is instructive to apply this media based analytical approach in considering whether electronic data is “reasonably accessible” for purposes of the new Rule 26(b)(2)(B). In this case, the records sought by the Plaintiffs are stored on a server used by BeneFirst in Pembroke Massachusetts, which is clearly an accessible format. However, because of BeneFirst’s method of storage and lack of an indexing system, it

will be extremely costly to retrieve the requested data. I am hard pressed to understand the rationale behind having a system that is only searchable by year of processing, then claims examiner, then the month of processing, and finally the claims date. None of these search criteria reflect the name of the individual claimant, the date that the claimant received the medical service, who the provider was, or even the company that employed the benefit holder. It would seem that such a system would only serve to discourage audits and the type of inquiries that have led to the instant litigation³. Nevertheless, the retrieval of the records will be costly and for the purposes of this decision, I find that such retrieval would involve undue burden or cost. Accordingly, the images are not reasonably accessible within the meaning of Fed.R.Civ.P. 26(b)(2)(B).

**Since the images are not reasonably accessible is there ‘good cause’
to order their production?**

The Plaintiffs argue that the information they have requested goes to the heart of their case and that they have established “good cause” for production of the same. In making a determination of whether the requesting party has established “good cause”, this Court must consider whether: “(i) the discovery sought is unreasonably cumulative or duplicative, or is obtainable from some other source that is more convenient, less burdensome, or less expensive; (ii) the party seeking discovery has had ample opportunity by discovery in the action to obtain the information sought; or (iii) the burden or expense of the proposed discovery outweighs its

³BeneFirst’s Managing Member, Charles T. Dobens states that “the decision to store the images in this manner was one that was made by Paul Gatani, BeneFirst’s former claims manager, and myself. This setup was designed to locate, within a reasonable amount of time, a particular claim if it became necessary to locate the associated image. However, the image itself was generally not required in the normal course of BeneFirst’s claims processing operations. The organization of the image files was not designed for the wholesale retrieval of images on a group-by-group basis.” *Affidavit of Charles T. Dobens* (Docket #31), at ¶13.

likely benefit, taking into account the needs of the case, the amount in controversy, the parties' resources, the importance of the issues at stake in the litigation, and the importance of the proposed discovery in resolving the issues." Fed.R.Civ.P. 26(b)(2)(C). To the extent not covered by the aforementioned factors, the Court should also consider:

(1) the specificity of the discovery request; (2) the quantity of information available from other and more easily accessed sources; (3) the failure to produce relevant information that seems likely to have existed but is no longer available on more easily accessed sources; (4) the likelihood of finding relevant, responsive information that cannot be obtained from other, more easily accessed sources; (5) predictions as to the importance and usefulness of the further information; (6) the importance of the issues at stake in the litigation; and (7) the parties' resources.

Fed.R.Civ.P. 26 Advisory Committee's note, to 2006 Amendment.

The specificity of the discovery request.

BeneFirst's Motion seeks reconsideration of this Court's earlier discovery order which ordered BeneFirst to produce "all claims files, including the actual bills in BeneFirst's possession or control." The parties have responded intelligently and vigorously to this Order and there is no misunderstanding or confusion about the specificity of the information sought by the Plaintiffs.

This factor favors the Plaintiffs.

The quantity of information available from other and more easily accessed sources; The failure to produce relevant information that seems likely to have existed but is no longer available from more easily accessed sources.

The gravamen of the Plaintiffs' Amended Complaint is that BeneFirst mishandled their employees' medical claims by failing to determine eligibility for payment, the availability of co-payment and co-insurance, and subrogation. The processing of the claim forms was presumably

the mechanism for making these determinations. While the Amended Complaint and subsequent pleadings are silent, the relevant time period appears to be from 2001 to 2004.⁴

According to BeneFirst, the original claim forms and medical bills were processed by hand, kept for 60 days, converted to a digital image and then destroyed. Therefore, digital images which constitute the information requested by the Plaintiffs are in the custody and control of BeneFirst and are not available through any other source.

These factors favor the Plaintiffs.

Predictions as to the importance and usefulness of the further information; the likelihood of finding relevant, responsive information that cannot be obtained from other, more easily accessed sources.

I agree with the Plaintiffs that the requested claim forms and medical bills are clearly an integral part of the litigation; the requested information goes not only to BeneFirst's culpability, but also to the amount of damages, if any, to which the Plaintiffs may be entitled. There can be no serious contention that the information is not highly relevant. In fact, it is difficult to imagine how this case could be prosecuted or defended without the claims forms and attendant bills. As previously found, they are not available from any other source (a determination which is uncontroverted).

These factors favor the Plaintiffs.

⁴I so find because this litigation was commenced in 2005 and it seems safe to assume that none of the original claim forms and medical bills were still in existence at that time (if they were, BeneFirst presumably would have retained them).

The importance of the issues at stake in the litigation.

While the importance of the claims/issues in this case are real and substantial *vis a vis* the parties, such claims/issues do not raise any global concerns.

This factor favors the Defendants (if it favors any party at all).

The parties resources.

While the Defendant has understandably engaged in a lengthy discussion of the cost of production, neither party has provided the court with any information about their resources.

BeneFirst does represent that they no longer have a full time staff and that in order to retrieve the images that they would have to hire temporary help. At the same time, as previously noted, the Plaintiffs have significantly narrowed the breadth of their request and therefore, the time and cost for BeneFirst to produce the requested information should be *significantly* reduced.

Given the lack of information available to the Court, this factor is neutral.

Other relevant considerations.

In addition to the above 7 factors, it is important to note that a provision in the Service Agreement between the parties provided that: “ ... The Records are the property of the Plan Sponsor. The Plan Sponsor has the right of continuing access to their records. . . .” . In other words, although in the custody and control of BeneFirst, the records at issue are the property of the Plaintiffs.⁵

The Plaintiffs Have Met Their Burden To Establish Good Cause

⁵BeneFirst argues that the Service Agreement does not contain any express terms which would impose the expense of the records production upon them. That argument begs the question of the role of these records in this lawsuit. While the agreement provides that the records belong to the Plaintiffs, they have always been in the care, custody and control of the Defendant. As discussed above, the Plaintiffs’ claims will inevitably rise or fall upon what those records reveal. They are not extraneous to the lawsuit or marginally relevant to some arcane side issue. Given that the parties have ended up in litigation, the issue of whether they must be produced and, if so, who must bear the expense of such production is properly determined in accordance with Rule 26(b)(2)(B).

On balance, I find that the Plaintiffs have clearly established good cause for requiring BeneFirst to produce the requested information. As noted above, the Plaintiffs have significantly narrowed their original request from approximately 34,000 claims to a list of approximately 3,000. This reduction should serve to reduce the time and expense of retrieving the requested information. Under the circumstances, I find that the requested information should be produced by BeneFirst at its own expense.

ORDER

For the reasons set forth above, BeneFirst's Motion for Reconsideration of Court's Discovery Order Related to Medical Bills (Docket # 29) is denied. BeneFirst shall produce the Medical Bills and Claims Forms for the approximately 3,000 claims as specified by the Plaintiffs at their own expense.

/S/ Timothy S. Hillman
TIMOTHY S. HILLMAN
UNITED STATES MAGISTRATE JUDGE

Tab 19

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

W.E. AUBUCHON CO., INC., AUBUCHON)	
DISTRIBUTION, INC., W.E. AUBUCHON)	
CO. INC. EMPLOYEE MEDICAL	)	Civil Action 05-40159FDS
BENEFIT PLAN, and AUBUCHON	)	(Louis M. Ciavarra BBO# 546481)
DISTRIBUTION, INC. EMPLOYEE	)	(James P. Hoban BBO #633929)
MEDICAL BENEFIT PLAN	)	(Colleen E. Cushing BBO# 663498)
Plaintiffs,)	
)	
v.)	
)	
)	
BENEFIRST, LLC,)	
Defendant.)	


AFFIDAVIT OF SARAH AREL

I, Sarah Arel, do depose and state as follows:

1. I am the Benefits Manager of the Plaintiff, W.E. Aubuchon Co., Inc. ("Aubuchon") and have held the position since prior to the engagement of the Defendant, Benefirst, LLC ("Benefirst"). I served as the primary contact between Aubuchon and Benefirst and provide this Affidavit based upon my own personal knowledge.
2. I understand that Benefirst's lawyers have argued that Benefirst did not exercise discretion over the functioning of the health benefit Plan. This is absolutely untrue. We relied upon Benefirst not only to perform the ministerial functions assigned to them under the terms of our contract, but in addition they exercised almost complete discretion over the determination of benefits, the pursuit of recovery from third-party claims, the collection and payment of money, and we deferred to their interpretation of our Plan and the law. We have relied upon them to exercise their best judgment in order to insure that the employees of Aubuchon received the

benefit of the Plan, which Benefirst helped design. We were passive in our involvement and we trusted and relied upon Benefirst to exercise its expertise and judgment with respect to the operation of the Plan.

Signed under the pains and penalties of perjury this 27 day of August, 2008.



Sarah Arel